

## Assembly Bill No. 99

### CHAPTER 15

An act to amend Sections 2572, 2576, 8208, 8235, 8263, 8263.1, 8265, 8273.1, 8357, 11800, 17224, 17592.71, 33050, 37202, 40090, 41203.1, 41203.5, 46160, 47607.3, 47614.5, 47635, 47662, 48301, 48302, 48306, 48307, 48308, 48310, 48311, 48312, 48313, 48314, 48315, 48316, 49430.5, 49533, 52052, 52064, 52066, 52070, 52070.5, 52074, 52075, 53310, 53311, 53313, 56305, 56836.165, and 60643 of, to amend and repeal Section 17080 of, to add Sections 2575.1, 8227.6, 8262.2, 41024, 41207.43, 41207.44, 48317, 56836.29, and 60213 to, to add Article 5 (commencing with Section 52200) to Chapter 7 of Part 28 of Division 4 of Title 2 of, and to repeal Sections 2558.2, 17078.73, 53312, 60209, and 60211 of, the Education Code, to amend Section 17581.6 of, and to add Section 17581.96 to, the Government Code, to amend Sections 1596.64 and 1596.792 of the Health and Safety Code, to amend Section 26233 of the Public Resources Code, to amend Section 11323.2 of the Welfare and Institutions Code, and to amend Section 52 of Chapter 13 of the Statutes of 2015, relating to school finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 27, 2017. Filed with  
Secretary of State June 27, 2017.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 99, Committee on Budget. School finance: education omnibus trailer bill.

(1) Existing law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as specified. Existing law requires, for the 2013–14 fiscal year and for each fiscal year thereafter, the Superintendent of Public Instruction to annually calculate a county local control funding formula for each county superintendent of schools, as provided.

This bill, commencing with the 2017–18 fiscal year, would require the Superintendent to add a specified amount to the annual apportionment to each county superintendent of schools as part of the county local control funding formula, as provided. The bill, commencing with the 2018–19 fiscal year, would require that amount to be adjusted by a specified cost-of-living adjustment.

(2) The Child Care and Development Services Act, administered by the State Department of Education, requires the Superintendent of Public Instruction to administer child care and development programs that offer a full range of services to eligible children from infancy to 13 years of age.

The act requires the department to contract with local contracting agencies to provide for alternative payment programs, and authorizes alternative payments to be made for child care services, as provided. The act requires families to meet specified requirements to be eligible for federal and state subsidized child development services. The act authorizes the Superintendent to enter into and execute local contractual agreements with any public or private entity or agency for the delivery of child care and development services.

The act requires the Superintendent to administer all California state preschool programs and provides that 3- and 4-year-old children are eligible for the part-day California state preschool program if the family meets specified criteria.

This bill would update the definition of a homeless child or youth for these purposes. The bill would authorize alternative payment programs and providers operating or providing child care services pursuant to these programs, and contractors operating or providing child care and development services, to use digital forms to allow families to apply for services, as provided. The bill would authorize a part-day California state preschool program, after all otherwise eligible children have been enrolled, to provide services to 3- and 4-year-old children in families whose income is above a certain income eligibility threshold if those children have been identified as “children with exceptional needs,” as defined.

(3) Existing law requires the Superintendent of Public Instruction to adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement the Child Care and Development Services Act. The act, and regulations adopted pursuant to the act, set forth eligibility requirements for families to receive federal and state subsidized child development services, including income eligibility requirements, and impose various time limits for receipt of services and recertification for continued services.

This bill would provide that a family, upon establishing initial eligibility or ongoing eligibility for services under the act, shall be considered to meet all eligibility and need requirements for those services for not less than 12 months, shall receive those services for not less than 12 months before having their eligibility or need recertified, and shall not be required to report changes to income or other changes for at least 12 months, except as provided. The bill would require the State Department of Education to implement this provision through management bulletins or similar letters of instruction on or before October 1, 2017, until regulations are filed with the Secretary of State to implement the provision. The bill would require the department to initiate a rulemaking action to implement the provision on or before December 31, 2018. The bill would require the department to convene a workgroup of parents, advocates, department staff, child development program representatives, and other stakeholders to develop recommendations regarding implementing the provision.

The bill would revise the definition of “income eligible” for purposes of establishing initial income eligibility for services under the act, and would

add a definition of “ongoing income eligible” for purposes of establishing ongoing income eligibility for services under the act. The bill would require income eligibility and ongoing income eligibility calculations to be adjusted for family size, as provided. The bill would require the Department of Finance to calculate the state median income for various family sizes for this purpose, as provided, and to update those calculations and provide them to the State Department of Education no later than May 1 of each fiscal year.

The bill would, except as provided, prohibit a payment made by a child development program for a child, during the period between a family’s most recent eligibility certification or recertification and its next eligibility recertification, from being considered an error or an improper payment due to a change in the family’s circumstances during that same period.

The bill would repeal certain time limits on the receipt of services under the act and an authorization for the Superintendent to grant an extension of services, as specified.

(4) The Child Care and Development Services Act requires the Superintendent of Public Instruction to implement a plan that establishes reasonable standards and assigned reimbursement rates for child care services, as provided. Existing law provides that the standard reimbursement rate for a 250-day year is \$9,572.50 per unit of average daily enrollment, and the full-day state preschool reimbursement rate for a 250-day year is \$9,632.50 per unit of average daily enrollment. Existing law makes those rates effective only until December 31, 2016, and, commencing January 1, 2017, increases those rates to \$10,529.75 and \$10,595.75, respectively.

This bill would, commencing July 1, 2017, make the standard reimbursement rate \$11,360.00 and would make the full-day state preschool reimbursement rate \$11,432.50. The bill would, commencing with the 2018–19 fiscal year, require these reimbursement rates to be increased by a specified cost-of-living adjustment.

(5) Existing law requires the cost of child care services provided to recipients of the California Work Opportunity and Responsibility to Kids (CalWORKs) program under specified law to be governed by regional market rates. Existing law requires the regional market rate ceilings to be established at the greater of 2 figures from January 1, 2017, until June 30, 2018, and at the 75th percentile of the 2014 regional market rate survey for that region commencing July 1, 2018.

This bill would instead require, commencing January 1, 2017, and until December 31, 2017, the regional market rate ceilings to be established at the greater of those 2 figures. The bill would require, commencing January 1, 2018, and until December 31, 2018, the regional market rate ceilings to be established at the 75th percentile of the 2016 regional market rate survey for that region or at the regional market rate ceiling that existed in that region on December 31, 2017, whichever is greater. The bill would require, commencing January 1, 2019, the regional market rate ceilings to be established at the 75th percentile of the 2016 regional market rate survey for that region.

(6) Existing law establishes the K–12 High-Speed Network (K–12 HSN) to, among other things, provide high-speed, high-bandwidth Internet connectivity to the public school system. Existing law provides for the administration of the K–12 HSN by a lead education agency selected by the Superintendent of Public Instruction, and requires the lead education agency to, among other things, develop an annual budget request for K–12 HSN for submission to the State Department of Education and the Department of Finance to be included in the annual Budget Act.

This bill would instead require the lead education agency to develop an annual budget request for K–12 HSN to be considered for the annual Budget Act. The bill would require the lead education agency, before expending any funds for planned network upgrade projects that exceed \$25,000 in cost, to develop a methodology to determine and prioritize planned network upgrade projects, as specified, and, commencing with the 2017–18 fiscal year and in each fiscal year thereafter, to utilize that methodology for planned network upgrade projects that exceed \$25,000 in cost. The bill would authorize the Superintendent to request data and other programmatic information from the lead education agency as needed to oversee the program.

(7) Existing law establishes the Career Technical Education Facilities Program to provide funding for qualified local educational agencies for purposes of constructing new facilities or reconfiguring existing facilities for career technical education, as specified. Existing law prohibits the State Allocation Board from approving any projects pursuant to the program on and after January 1, 2015.

This bill would repeal that prohibition.

(8) Existing law requires, whenever moneys transferred to the General Fund each year from moneys deposited into the Public School Building Loan Fund and the State School Building Aid Fund exceed the amounts required to reimburse the General Fund on account of principal and interest due and payable for that fiscal year on all school building aid bonds outstanding against the state, an amount equal to the excess to be appropriated from the General Fund for purposes of the School Facilities Emergency Repair Account.

This bill would make these provisions inoperative on July 1, 2018, and would repeal them as of January 1, 2019.

(9) Existing law requires any funds in the State School Site Utilization Fund, including interest, that are not subject to return to a school district, as specified, to be allocated, upon appropriation by the Legislature, for purposes of administering the Leroy F. Greene School Facilities Act of 1998. Existing law requires any unencumbered funds in the State School Deferred Maintenance Fund on July 1, 2014, to be transferred to the State School Site Utilization Fund.

This bill would instead require any unencumbered funds in the State School Deferred Maintenance Fund after July 1, 2014, to be transferred to the State School Site Utilization Fund.

(10) Existing law establishes the School Facilities Emergency Repair Account in the State Treasury, and requires the State Allocation Board to administer the account. Existing law establishes the Proposition 98 Reversion Account in the General Fund, and requires that the Legislature, from time to time, transfer into this account moneys previously appropriated in satisfaction of the constitutional minimum funding requirements that have not been disbursed or otherwise encumbered for the purposes for which they were appropriated.

This bill would require any unencumbered balance available in the School Facilities Emergency Repair Account after July 1, 2018, to revert to the Proposition 98 Reversion Account.

(11) Existing law authorizes a school district offering kindergarten to maintain kindergarten classes at different schoolsites within the school district for different lengths of time during the schoolday.

This bill would instead authorize a school district to maintain kindergarten or transitional kindergarten classes for different lengths of time during the schoolday, either at the same or a different schoolsite.

(12) Existing law requires the State Department of Education to develop or approve courses for training school pupil activity bus, transit bus, schoolbus, and farm labor vehicle drivers, as provided. Existing law requires the department to train or approve the necessary instructional personnel to conduct the driver training courses. Existing law authorizes the department to assess fees to any instructor applicant who will be training drivers of a transit bus.

This bill would also authorize the department to assess fees to any instructor applicant who will be training drivers of a farm labor vehicle, schoolbus, or school pupil activity bus.

(13) Existing law requires the Controller, in consultation with the Department of Finance and the State Department of Education, to develop a plan to review and report on financial and compliance audits of school districts and the offices of county superintendents of schools, and to propose the content of an audit guide that is required to be submitted by the Controller to the Education Audit Appeals Panel for review and possible amendment.

This bill would require, commencing April 1, 2017, a local educational agency that receives any of specified funds relating to school facilities projects to annually report a detailed list of all expenditures of state funds, including interest, and of the local educational agency's matching funds for completed projects until all state funds, including interest, all of the local educational agency's matching funds, and savings achieved, including interest, are expended in accordance with specified requirements. The bill would require the Controller, commencing with audits of the 2018–19 fiscal year, to include instructions in the audit guide that include certain procedures for conducting the audit.

(14) Existing law requires, for the 1990–91 fiscal year and each fiscal year thereafter, that moneys to be applied by the state for the support of school districts, community college districts, and direct elementary and secondary level instructional services provided by the state be distributed

in accordance with certain calculations governing the proration of those moneys among the 3 segments of public education. Existing law makes that provision inapplicable to the 1992–93 to 2016–17 fiscal years, inclusive.

This bill would also make that provision inapplicable to the 2017–18 fiscal year.

(15) Section 8 of Article XVI of the California Constitution sets forth a formula for computing the minimum amount of revenues that the state is required to appropriate for the support of school districts and community college districts for each fiscal year.

This bill would appropriate \$89,637,000 from the General Fund to the Controller for allocation to school districts and community college districts for the purpose of reducing the 2009–10 fiscal year outstanding balance of the minimum funding obligation to school districts and community college districts, as specified. The bill would also require that, if the Superintendent of Public Instruction and the Director of Finance jointly determine that, for the 2016–17 fiscal year, the state has applied moneys for the support of school districts and community college districts that exceed the minimum funding obligation for that year, the excess, up to a specified amount, of the moneys shall be deemed a payment in satisfaction of the 2009–10 fiscal year outstanding balance of the minimum funding obligation.

Existing law requires a supplemental appropriation to be made from the General Fund for the support of school districts and community college districts in any fiscal year in which a specified formula is applied to meet the minimum funding obligation required by Section 8 of Article XVI of the California Constitution, as provided.

This bill would suspend the supplemental appropriation for the 2016–17 fiscal year to the 2020–21 fiscal year, inclusive.

(16) Existing law authorizes the governing board of a school district that maintains a junior high school or high school to schedule classes so that each pupil attends classes for at least 1,200 minutes during any 5-school day period or 2,400 minutes during any 10-school day period.

This bill would also authorize the governing board of a school district that maintains an early college high school or middle college high school to schedule classes so that each pupil who satisfies the applicable attendance requirements for early college high school and middle college high school attends classes for at least 900 minutes during any 5-school day period or 1,800 minutes during any 10-school day period.

(17) Existing law establishes the California Collaborative for Educational Excellence to advise and assist school districts, county superintendents of schools, and charter schools in achieving their local control and accountability plan goals, and requires individuals and entities contracted by the collaborative for those purposes to have expertise, experience, and a record of success in certain areas. Existing law authorizes the Superintendent of Public Instruction, at the request of the chartering authority and with the approval of the State Board of Education, to assign the collaborative to provide advice and assistance to a charter school that, for

3 out of 4 consecutive school years, fails to improve pupil outcomes for one or more priorities identified in the school's charter.

This bill would instead authorize the collaborative, at the request of the chartering authority, and after consulting with the Superintendent and with the approval of the state board, to provide advice and assistance to such a charter school.

Existing law requires the Superintendent, with the approval of the state board, to contract with a local educational agency, or consortium of local educational agencies, to serve as the fiscal agent of the collaborative. Existing law requires, at the direction of the governing board of the collaborative, the fiscal agent to contract with individuals, local educational agencies, or organizations with the expertise, experience, and a record of success to carry out the purposes of these provisions described above.

This bill would instead require the governing board of the collaborative, with the approval of the Department of Finance, to contract with a local educational agency, or consortium of local educational agencies, to serve as the fiscal agent of the collaborative. The bill would provide that the individuals with whom the fiscal agent enters into employment contracts at the direction of the governing board of the collaborative to carry out the purposes of these provisions are required to be deemed employees of the fiscal agent and eligible for participation in either the State Teachers' Retirement System or the Public Employees' Retirement System, as appropriate to the nature of the work to be performed by the employees.

(18) Existing law requires the California School Finance Authority to administer the Charter School Facility Grant Program, and provides that the grant program is intended to provide assistance with facilities rent and lease costs for pupils in charter schools. Existing law requires eligible charter schools to receive an amount of up to, but not more than, \$750 per unit of average daily attendance to provide an amount of up to, but not more than, 75% of annual facilities rent and lease costs for the charter school.

This bill would instead require, commencing with the 2017–18 fiscal year, and subject to available funding in the annual Budget Act, eligible charter schools to receive the lesser of 75% of annual facilities rent and lease costs for the charter school or \$1,117 per unit of average daily attendance in the 2017–18 fiscal year and subject to a specified adjustment in any fiscal year thereafter.

(19) Existing law requires a sponsoring local educational agency to annually transfer to each of its charter schools funding in lieu of property taxes, as specified. Existing law requires the sponsoring local educational agency to transfer funding in lieu of property taxes to the charter school in monthly installments, as provided. Existing law requires final adjustments to the amount of funding in lieu of property taxes allocated to a charter school to be made in February, in conjunction with the final reconciliation of annual apportionments to schools. Existing law authorizes, for a pupil attending a county charter program school, as specified, for whom the county office of education is not educationally responsible, the county charter

program school to seek in lieu property tax reimbursement from the pupil's school district of residence, as provided.

This bill would instead require final adjustments to the amount of funding in lieu of property taxes allocated to a charter school to be made in June, in conjunction with the 3rd recertification of annual apportionments to schools. The bill would also delete the provision authorizing, for a pupil attending a county charter program school for whom the county office of education is not educationally responsible, the county charter program school to seek in lieu property tax reimbursement from the pupil's school district of residence.

(20) Existing law authorizes the governing board of a school district to accept pupils from other school districts by adopting a resolution to become a school district of choice, as defined, in accordance with specified procedural requirements and limitations.

This bill would revise and recast these provisions. The bill would, among other things, expand the list of pupil characteristics that a school district of choice is prohibited from considering in selecting pupils for admission and would revise the requirements for admitting or rejecting and the manner of selecting pupils who apply to transfer to a school district of choice. The bill would revise the procedural requirements for becoming a school district of choice, including requiring a school district to register as a school district of choice with both the Superintendent of Public Instruction and the county board of education. The bill would reduce the amount of funds to be apportioned for average daily attendance to school districts of choice under certain circumstances. The bill would delete a provision limiting transportation assistance that the school district of choice may provide to pupils enrolled in the school district of choice program to the boundaries of the school district of choice. The bill would revise data, information, and reporting requirements relating to the school district of choice program, including requiring the Superintendent to maintain a list of the school districts of choice in the state and to collect specified other information relating to school districts of choice, and by requiring the Superintendent rather than the Legislative Analyst to make specified information available to the appropriate fiscal and policy committees of the Legislature and the Department of Finance each year. The bill would require the Legislative Analyst to conduct an evaluation of the school district of choice program and to make recommendations on specified matters to the appropriate education policy committees of the Legislature and the Department of Finance by January 31, 2021. The bill would require the State Department of Education to investigate complaints regarding schools operating as school districts of choice without being registered and for school districts of choice failing to report the required data, as specified, and would authorize the Superintendent to withhold a specified amount of the school district's apportionment if the school district is accepting pupils through a school district of choice program without being registered or if the Superintendent finds that a school district of choice is not reporting the required data.

Existing law makes the school district of choice program inoperative on July 1, 2017.

This bill would instead make the program inoperative on July 1, 2023.

(21) Existing law sets the reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools at \$0.2271 per meal, and for meals served in child care centers and homes at \$0.1691 per meal.

This bill would increase the reimbursement rate for elementary, middle, and high schools to \$0.2306 per meal and for meals served in child care centers and homes to \$0.1717 per meal.

(22) Existing law requires the State Board of Education to appoint a Child Nutrition Advisory Council composed of 13 members, as specified, to recommend plans and guidelines for school and child care meal service and nutrition education programs.

This bill would instead require the Superintendent of Public Instruction to appoint the members of the council.

(23) Existing law requires the Superintendent of Public Instruction, with the approval of the State Board of Education, to develop an Academic Performance Index (API), as specified, to measure the performance of schools and school districts. Existing law authorizes the Superintendent, with the approval of the state board, for the 2013–14, 2014–15, and 2015–16 school years only, to not provide an API score to a school or school district due to a determination by the Superintendent that a transition to new standards-based assessments would compromise comparability of results across schools or school districts.

This bill would extend that authorization to the 2016–17 school year as well.

(24) Existing law requires, on or before July 1, 2014, governing boards of school districts and county boards of education to adopt a local control and accountability plan using a state template adopted by the State Board of Education. Existing law requires, on or before March 31, 2014, the state board to adopt templates for these purposes. Existing law authorizes the state board to adopt the template in accordance with specified requirements relating to meetings, and makes that provision inoperative on January 31, 2018. Existing law requires revisions to a template or evaluation rubric to be approved by the state board by January 31 before the fiscal year during which the template or evaluation rubric is to be used by a school district, county superintendent of schools, or charter school.

This bill would extend the authorization for the state board to adopt the template in accordance with the requirements relating to meetings until December 31, 2018. The bill would also authorize the state board to revise the template in accordance with those meetings requirements. The bill would no longer require revisions to an evaluation rubric to be approved by the state board by January 31 before the fiscal year during which the evaluation rubric is to be used.

This bill, for the 2017–18 fiscal year, would appropriate \$400,000 from the General Fund to the Superintendent of Public Instruction for support

and development of the Local Control and Accountability Plan Electronic Template system and the California School Dashboard mobile app, as provided.

(25) Existing law requires the governing board of a school district, not later than 5 days after adoption of a local control and accountability plan or annual update to a local control and accountability plan, to file the plan or annual update to the plan with the county superintendent of schools. Existing law authorizes a complaint that a school district, county superintendent of schools, or charter school has not complied with the requirements relating to local control and accountability plans to be filed with a school district, county superintendent of schools, or charter school pursuant to specified procedures and authorizes an appeal of that complaint to the Superintendent of Public Instruction.

This bill, beginning with the 2018–19 fiscal year and in each fiscal year thereafter, would require a county superintendent of schools to prepare a summary of how it plans to support school districts and schools within the county in implementing local control and accountability plans and would require it to present the summary to the county board of education. To the extent that this bill would impose additional duties on county superintendents of schools, the bill would create a state-mandated local program. If the Superintendent finds merit in an appeal of a complaint filed against a school district related to a local control and accountability plan approved by a county superintendent of schools or in an appeal against a county superintendent of schools related to the approval of a school district’s local control and accountability plan, the bill would require the Superintendent to provide technical assistance to the county superintendent of schools focused on improving the county superintendent of schools’ review and approval of local control and accountability plans.

(26) Existing law requires the Commission on Teacher Credentialing to, among other duties, establish standards for the issuance and renewal of credentials, certificates, and permits. Existing law requires the commission to issue an authorization for a teacher who meets specified requirements to provide instruction to English learners.

This bill would establish the Bilingual Teacher Professional Development Program and would require the State Department of Education to allocate grant funding to local educational agencies or a consortia of local educational agencies for purposes of providing professional development services to specified teachers and paraprofessionals to provide instruction to English learners. The bill would require the department to adopt criteria demonstrating a grant applicant’s ability to provide professional development services, as provided. The bill would require grant recipients to report specified information on the outcomes of the program to the department by January 1, 2021.

The bill would appropriate \$5,000,000 from the General Fund to the Superintendent of Public Instruction to be available through the 2019–20 fiscal year for these purposes.

(27) Existing law requires the Superintendent of Public Instruction to convene, on or before September 1, 2017, a computer science strategic implementation advisory panel to develop recommendations for a computer science strategic implementation plan. Existing law requires the advisory panel to consist of various members, as provided. Existing law requires the Superintendent to appoint a statewide computer science liaison within the State Department of Education to serve the advisory panel, as provided. Existing law requires the department and the State Board of Education to consider the advisory panel's recommendations, and requires the department to develop, and the state board to adopt, a computer science strategic implementation plan on or before January 1, 2019.

This bill would revise and recast these provisions. The bill would require the Superintendent to convene, on or before March 1, 2018, the computer science strategic implementation advisory panel and would require the Governor, unless otherwise specified, to select its membership. The bill would repeal the provision requiring the Superintendent to appoint a statewide computer science liaison within the department to serve the advisory panel. The bill would require the Superintendent to receive the advisory panel's recommendations, and would require the Superintendent to develop, and the state board to consider adopting, a computer science strategic implementation plan on or before July 15, 2019.

(28) Existing law requires the State Department of Education, on or before July 1, 2018, to develop a manual providing guidance to local educational agencies on identifying, assessing, supporting, and reclassifying English learners who may qualify for special education services and pupils with disabilities who may be classified as English learners, as specified, with the goal of providing guidance, for voluntary use by local educational agencies, charter schools, and the state special schools on evidence-based and promising practices for the identification, assessment, support, and reclassification of those pupils and to promote a collaborative approach among general education teachers, special education teachers, school administrators, paraprofessionals, other involved personnel, and parents in determining the most appropriate academic placements and services for these pupils.

This bill instead would require the department, on or before January 1, 2019, to develop a manual providing guidance to local educational agencies on identifying English learners as individuals with exceptional needs, classifying individuals with exceptional needs as English learners, supporting pupils who are both English learners and individuals with exceptional needs, and determining when such dually identified pupils should be either removed from classification as English learners or exited from special education.

(29) Existing law requires the Superintendent of Public Instruction, commencing with the 2004–05 fiscal year and each fiscal year thereafter, to make certain calculations for, and the State Department of Education to apportion certain amounts to, special education local plan areas, as provided, with respect to children and youth residing in foster family homes, small family homes, foster family agencies, group homes, skilled nursing facilities,

intermediate care facilities, and community care facilities. Existing law requires the department to calculate an out-of-home care funding amount for each special education local plan area, as provided, for each fiscal year.

This bill would require, for purposes of the 2017–18 fiscal year out-of-home care funding amount for group homes, foster family homes, small family homes, and foster family agencies, the Superintendent to use the data received from the State Department of Social Services that was used for the funding for the 2016–17 fiscal year. The bill would also require the department to adjust rates for payments to and from the resulting special education local plan areas, as provided, if those special education local plan areas reorganize, including by merger or division.

(30) Existing law requires the State Board of Education to adopt basic instructional materials for use in kindergarten and grades 1 to 8, inclusive, for governing boards of school districts, as provided. Existing law imposes various requirements on the State Department of Education and the state board for purposes of conducting an adoption of basic instructional materials for mathematics, as provided, and for purposes of conducting an adoption of basic instructional materials that are aligned to specified language arts content standards and specified English language development standards.

This bill would repeal the latter provisions. The bill would, among other things, require the department, before conducting an adoption in a given subject area, to provide notice, as specified, to all publishers or manufacturers, and would require each publisher or manufacturer choosing to participate in the adoption process to pay a fee, as specified, to offset the cost of conducting the adoption process.

(31) Existing law requires the State Department of Education to develop, and the Superintendent of Public Instruction and the State Board of Education to approve, contracts in connection with the California Assessment of Student Performance and Progress. Existing law requires the contracts to include provisions for progress payments to the contractor, as provided. Existing law requires not less than 10% of the amount budgeted for each separate and distinct component task provided for in each contract to be withheld pending final completion of all component tasks by that contractor and prohibits the total amount withheld pending final completion from exceeding 10% of the total contract price for that fiscal year. Existing law provides that the contracts shall require liquidated damages to be paid by the contractor in the amount of up to 10% of the total cost of the contract for any component task that the contractor through its own fault or that of its subcontractors fails to substantially perform by the date specified in the agreement.

This bill would instead require not less than 10% of the amount budgeted for each separate and distinct component task per test administration provided for in each contract to be withheld pending final completion of all component tasks by that contractor and would prohibit the total amount withheld pending final completion from exceeding 10% of the total contract price for that test administration. The bill would provide that the contracts shall require liquidated damages to be paid by the contractor in the amount

of up to 10% of the total cost of the contract for any component task per test administration that the contractor through its own fault or that of its subcontractors fails to substantially perform as specified in the agreement.

(32) Existing law requires certain funds appropriated in the annual Budget Act for reimbursement for the cost of a new program or increased level of service of an existing program mandated by statute or executive order to be available as a block grant to school districts, charter schools, and county offices of education, to support specified state-mandated local programs. Existing law provides that a school district, charter school, or county office of education that submits a letter requesting funding to the Superintendent of Public Instruction and receives this block grant funding is not eligible to submit a claim for reimbursement for those specified mandated programs for the fiscal year in which the block grant funding is received.

This bill would revise the list of programs that are authorized for block grant funding in lieu of program-specific reimbursement, as specified. The bill would require those block grant funds, commencing with the 2017–18 fiscal year, to be adjusted annually, as specified, according to the change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce.

(33) This bill would appropriate \$876,581,000 from the General Fund to the State Department of Education for allocation by the Superintendent of Public Instruction to school districts and county superintendents of schools, as specified. The bill would require the funds to first satisfy any outstanding claims for reimbursement of state-mandated local program costs for any fiscal year, but would authorize the governing boards of school districts to expend these one-time funds for any purpose.

(34) Existing law requires the State Department of Social Services to establish a registry of child care providers who have undergone criminal background checks called the trustline registry. Existing law requires the department to enter into a contract with the California Child Care Resource and Referral Network to administer its trustline duties and generally authorizes the department to enter into an interagency agreement for the purpose of transferring funds to offset the costs incurred by the California Child Care Resource and Referral Network to implement the trustline program.

This bill would additionally require the State Department of Education to enter into a contract with the California Child Care Resource and Referral Network to administer trustline duties. The bill would exempt any contract or grant awarded pursuant to provisions related to the trustline program from personal services contracting requirements, requirements of the Public Contract Code, and the State Contracting Manual, and would no longer subject those contracts or grants to the approval of the Department of General Services.

(35) The California Child Day Care Facilities Act provides for the licensure and regulation of child day care facilities, day care centers, and family day care homes. The act exempts from its provisions certain types

of these facilities, including, among others, a crisis nursery and extended day care programs operated by public or private schools. A violation of the act is a crime.

This bill would, commencing July 1, 2018, exempt from the provisions of the act a California state preschool program, as defined, that meets specified conditions and operates in a school building, as defined, under contract through a local educational agency. The bill would require, no later than October 1, 2017, the Legislative Analyst to convene a stakeholder process for the purpose of ensuring state preschools operated by local educational agencies are maintaining all existing necessary health and safety requirements.

(36) The California Clean Energy Jobs Act, an initiative approved by the voters as Proposition 39 at the November 6, 2012, statewide general election, made changes to corporate income taxes and, except as specified, provides for the transfer of \$550,000,000 annually from the General Fund to the Clean Energy Job Creation Fund, or the Job Creation Fund, for 5 fiscal years beginning with the 2013–14 fiscal year. Moneys in the Job Creation Fund are available, upon appropriation by the Legislature, for purposes of funding eligible projects that create jobs in California improving energy efficiency and expanding clean energy generation. Existing law provides for the allocation of available funds to local educational agencies and community college districts. Existing law requires a local educational agency to encumber funds received for these purposes by June 30, 2018.

This bill would instead require a local educational agency to encumber funds received for these purposes by June 30, 2019. By extending the date of encumbrance of an existing appropriation, the bill would make an appropriation.

(37) Existing law establishes the California Career Technical Education Incentive Grant Program as a state education, economic, and workforce development initiative with the goal of providing pupils in kindergarten and grades 1 to 12, inclusive, with the knowledge and skills necessary to transition to employment and postsecondary education. Existing law appropriates \$200,000,000 from the General Fund to the State Department of Education for purposes of this grant program for the 2017–18 fiscal year. Existing law requires that appropriation to be applied toward the minimum funding requirements for school districts and community college districts, imposed by Section 8 of Article XVI of the California Constitution, for the 2017–18 fiscal year.

This bill would delete the provision applying the \$200,000,000 appropriation for the grant program toward the minimum funding requirements for school districts and community college districts for the 2017–18 fiscal year.

(38) Existing law requires the Commission on Teacher Credentialing to, among other things, establish professional standards, assessments, and examinations for entry and advancement in the education profession and to establish standards for the issuance and renewal of credentials, certificates, and permits. Existing law establishes the California Center on Teaching

Careers for the purpose of recruiting qualified and capable individuals into the teaching profession, as provided.

This bill would establish the California Educator Development (CalED) Program to enhance the state's efforts to address teacher recruitment and retention issues throughout the state by assisting local educational agencies with attracting and supporting the preparation and continued learning of teachers, principals, and other school leaders. The bill would require the commission, in conjunction with the California Center on Teaching Careers, to develop a competitive grant program, as provided, and would require the California Center on Teaching Careers, in consultation with the commission, to issue a request for proposals to all school districts, charter schools, and county offices of education in the state to solicit applications for the program. The bill would make these provisions contingent on an appropriation in the annual Budget Act or another statute.

(39) This bill would appropriate \$1,362,383,000 from the General Fund to the Superintendent of Public Instruction to be allocated for the purpose of the annual local control funding formula transition adjustment for each school district and charter school.

(40) This bill would require an amount to be determined by the Director of Finance to be appropriated, on or before June 30, 2018, from the General Fund to the Superintendent of Public Instruction in the event that the amount by which specified revenues distributed to local educational agencies for special education programs are less than the estimated amount reflected in the Budget Act of 2017. The bill would also require the Director of Finance to reduce the General Fund appropriation for these programs by the amount that these revenues exceed the estimated amount.

(41) Existing law provides funding for various career technical education programs, including regional occupational centers and programs.

This bill would appropriate \$4,000,000 from the General Fund to the Superintendent of Public Instruction for allocation to the Southern California Regional Occupational Center for instructional and operating costs for the 2017–18 fiscal year, and would condition the receipt of this money on the Southern California Regional Occupational Center submitting an operational plan containing specified information to the Department of Finance and the Legislative Analyst's Office and providing annual updates, as specified.

(42) Existing law, the California Healthcare, Research, and Prevention Tobacco Tax Act of 2016, or Proposition 56, which was approved by voters at the November 8, 2016, statewide general election, increases taxes imposed on distributors of cigarettes and tobacco products and allocates 15% of the revenue to the State Department of Education to be used for school programs to prevent and reduce the use of tobacco and nicotine products by young people, as provided.

This bill would require those funds described above to be allocated to support programs that prevent and reduce the use of tobacco and nicotine products by young people pursuant to other legislation enacted in the 2017–18 Regular Session that is consistent with Proposition 56, or, if no legislation is regarding the use of those funds is chaptered by October 15,

2017, the bill would require those funds to be allocated to the department to be used for school programs to prevent and reduce the use of tobacco and nicotine products by young people, as provided.

(43) Existing law sets forth the maximum ratios of administrative employees to each 100 teachers in the various types of school districts, and requires the Superintendent of Public Instruction to determine the reduction in state support resulting from excess administrative employees, as provided.

This bill would exempt a school district with average daily attendance of more than 400,000 as of the 2016–17 second principal apportionment from any penalties calculated resulting from excess administrative employees for the 2016–17 and 2017–18 fiscal years.

(44) Existing law establishes the California Classified School Employee Teacher Credentialing Program for the purpose of recruiting classified school employees to participate in a program designed to encourage them to enroll in teacher training programs and to provide instructional service as teachers in the public schools.

This bill would appropriate, for the 2017–18 fiscal year, \$25,000,000 from the General Fund to the Commission on Teacher Credentialing to fund a second cohort for the California Classified School Employee Teacher Credentialing Program to be available through the 2021–22 fiscal year, as specified.

(45) This bill would appropriate, for the 2017–18 fiscal year, \$10,000,000 from the General Fund to the State Department of Social Services in order to provide additional services for refugee pupils by allocating funding to school districts impacted by significant numbers of refugee pupils and other eligible populations served by the federal Office of Refugee Resettlement based on the eligibility criteria and allocation methodology set forth for the federal Refugee School Impact program.

(46) This bill would appropriate, for the 2017–18 fiscal year, \$5,000,000 from the General Fund to the Superintendent of Public Instruction to allocate to the San Francisco Unified School District to contract with the California Historical Society, in partnership with the California History-Social Science Project, to create a free online open K-12 curriculum for History-Social Science, as specified, and would require that curriculum to be made available to teachers by July 1, 2019.

(47) Existing law requires the Superintendent of Public Instruction, by no later than July 1, 2017, to provide the Legislature with an evaluation of kindergarten program implementation in the state, including part-day and full-day kindergarten programs.

This bill would require the Legislative Analyst's Office, no later than March 1, 2018, to submit a report to the Legislature proposing options for incentivizing full-day kindergarten programs, including an option to provide differentiated funding rates for full-day and part-day kindergarten. The bill would require the Superintendent to make available to the Legislative Analyst's Office all cost data it collected or analyzed pursuant to the kindergarten program implementation evaluation.

(48) Existing law requires the California Collaborative for Educational Excellence, commencing with the 2016–17 fiscal year, to establish a statewide process to provide specified professional development training to school districts, county offices of education, and charter schools for the purpose of successfully utilizing the evaluation rubrics adopted by the State Board of Education. Existing law appropriates \$24,000,000 from the General Fund to the State Department of Education for allocation by the Superintendent of Public Instruction to the Riverside County Office of Education to support the collaborative for purposes of the training described above.

This bill would provide that, of the \$24,000,000 that was appropriated, all funds not encumbered by the Riverside County Office of Education by July 1, 2017, are available for allocation by the Superintendent to the Marin County Office of Education to support the collaborative for the purposes described above, would provide that any of those funds encumbered by Riverside County Office of Education on July 1, 2017, but not spent as of December 31, 2017, are also available for allocation to the Marin County Office of Education for the same purposes. The bill would provide that the funds allocated to the Marin County Office of Education are available for encumbrance through the 2019–20 fiscal year.

(49) Existing law requires the State Department of Education to ensure that the nutrition levels of meals served to schoolage children pursuant to the federal National School Lunch Act be of the highest quality and greatest nutritional value possible.

This bill would establish the California-Grown Fresh School Meals Grant Program as a one-time program for purposes of encouraging the purchase of California-grown food by schools and expanding the number of freshly prepared school meals offered within the state that use California-grown ingredients. The bill would require the Superintendent of Public Instruction to provide grants to school districts, county offices of education, and charter schools for these purposes. The bill would appropriate \$1,500,000 from the General Fund to the Superintendent for the 2017–18 fiscal year for purposes of the program.

This bill would authorize the donation of funds from public and private sources and would establish an account for these purposes. The bill would provide that these funds would be transferred to the General Fund if specified circumstances exist.

(50) This bill would appropriate \$2,500,000 from the General Fund to the Superintendent of Public Instruction on a one-time basis to establish the California Equity Performance and Improvement Program to support and build capacity within local educational agencies and the State Department of Education to promote equity in California’s public schools. The bill would require the Superintendent to apportion those funds to at least 2 county offices of education to serve as designated lead agencies for the program. The bill would require the designated lead agencies to identify existing resources, professional development activities, and other efforts, as well as develop new resources and activities, designed to help local educational

agencies take specified actions to promote pupil equity. The bill would require each designated lead agency to collaborate with the department to prepare information about how the designated lead agency used the funds until the agency has fully expended the funds allocated for these purposes, and would require the Superintendent to prepare a report based on that information.

(51) This bill would make conforming and clarifying changes, delete obsolete provisions, correct and update cross-references, and make other nonsubstantive changes.

(52) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(53) Funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(54) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 2558.2 of the Education Code is repealed.

SEC. 2. Section 2572 of the Education Code is amended to read:

2572. The product computed pursuant to subdivision (c) of Section 2571 is the amount of property tax revenues to be allocated to special education programs. This amount shall be subtracted pursuant to subdivision (e) of Section 56836.08.

SEC. 3. Section 2575.1 is added to the Education Code, to read:

2575.1. Commencing with the 2017–18 fiscal year, the Superintendent of Public Instruction shall add to the amount to be apportioned pursuant to Section 2575 the amount computed as follows:

(a) Each county superintendent of schools funded pursuant to subdivision (d) of Section 2575 as of the 2016–17 second principal apportionment shall be allocated the greater of eighteen thousand six hundred ninety-seven dollars (\$18,697) multiplied by the number of school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253 of the Education Code, or eighty thousand dollars (\$80,000).

(b) Commencing with the 2018–19 fiscal year, the rates in subdivision (a) shall be adjusted by the cost-of-living increase applied pursuant to subdivision (a) of Section 2574.

SEC. 4. Section 2576 of the Education Code is amended to read:

2576. (a) If a county superintendent of schools enrolls in a school operated by the county superintendent of schools a pupil not funded pursuant to clause (i), (ii), or (iii) of subparagraph (A) of paragraph (4) of subdivision (c) of Section 2574, or Article 2.5 (commencing with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title 2, any attendance generated by that pupil shall be credited to the school district of residence. Enrollment of these pupils shall be transferred to the school district of residence for purposes of calculating the percentage of unduplicated pupils pursuant to Section 42238.02.

(b) For purposes of this section, the school district of residence for a homeless child or youth, as defined in Section 11434a(2) of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), enrolled in a school operated by a county superintendent of schools shall be deemed to be the school district that last provided educational services to the homeless child or youth or, if it is not possible to determine that school district, the nonbasic aid school district with the largest average daily attendance in the county that serves the grade level in which the homeless child or youth would be enrolled.

(c) If a county superintendent of schools grants permission to a pupil to attend school in an adjoining state pursuant to Section 2000, attendance generated by that pupil shall be credited to the school district of residence.

SEC. 5. Section 8208 of the Education Code is amended to read:

8208. As used in this chapter:

(a) “Alternative payments” includes payments that are made by one child care agency to another agency or child care provider for the provision of child care and development services, and payments that are made by an agency to a parent for the parent’s purchase of child care and development services.

(b) “Alternative payment program” means a local government agency or nonprofit organization that has contracted with the department pursuant to Section 8220.1 to provide alternative payments and to provide support services to parents and providers.

(c) “Applicant or contracting agency” means a school district, community college district, college or university, county superintendent of schools, county, city, public agency, private nontax-exempt agency, private tax-exempt agency, or other entity that is authorized to establish, maintain, or operate services pursuant to this chapter. Private agencies and parent cooperatives, duly licensed by law, shall receive the same consideration as any other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this chapter.

(d) “Assigned reimbursement rate” is that rate established by the contract with the agency and is derived by dividing the total dollar amount of the contract by the minimum child day of average daily enrollment level of service required.

(e) “Attendance” means the number of children present at a child care and development facility. “Attendance,” for purposes of reimbursement, includes excused absences by children because of illness, quarantine, illness

or quarantine of their parent, family emergency, or to spend time with a parent or other relative as required by a court of law or that is clearly in the best interest of the child.

(f) “Capital outlay” means the amount paid for the renovation and repair of child care and development facilities to comply with state and local health and safety standards, and the amount paid for the state purchase of relocatable child care and development facilities for lease to qualifying contracting agencies.

(g) “Caregiver” means a person who provides direct care, supervision, and guidance to children in a child care and development facility.

(h) “Child care and development facility” means a residence or building or part thereof in which child care and development services are provided.

(i) “Child care and development programs” means those programs that offer a full range of services for children from infancy to 13 years of age, for any part of a day, by a public or private agency, in centers and family child care homes. These programs include, but are not limited to, all of the following:

- (1) General child care and development.
- (2) Migrant child care and development.
- (3) Child care provided by the California School Age Families Education Program (Article 7.1 (commencing with Section 54740) of Chapter 9 of Part 29 of Division 4 of Title 2).
- (4) California state preschool program.
- (5) Resource and referral.
- (6) Child care and development services for children with exceptional needs.

(7) Family child care home education network.

(8) Alternative payment.

(9) Schoolage community child care.

(j) “Child care and development services” means those services designed to meet a wide variety of needs of children and their families, while their parents or guardians are working, in training, seeking employment, incapacitated, or in need of respite. These services may include direct care and supervision, instructional activities, resource and referral programs, and alternative payment arrangements.

(k) “Children at risk of abuse, neglect, or exploitation” means children who are so identified in a written referral from a legal, medical, or social service agency, or emergency shelter.

(l) “Children with exceptional needs” means either of the following:

- (1) Infants and toddlers under three years of age who have been determined to be eligible for early intervention services pursuant to the California Early Intervention Services Act (Title 14 (commencing with Section 95000) of the Government Code) and its implementing regulations. These children include an infant or toddler with a developmental delay or established risk condition, or who is at high risk of having a substantial developmental disability, as defined in subdivision (a) of Section 95014 of the Government Code. These children shall have active individualized family

service plans, shall be receiving early intervention services, and shall be children who require the special attention of adults in a child care setting.

(2) Children 3 to 21 years of age, inclusive, who have been determined to be eligible for special education and related services by an individualized education program team according to the special education requirements contained in Part 30 (commencing with Section 56000) of Division 4 of Title 2, and who meet eligibility criteria described in Section 56026 and, Article 2.5 (commencing with Section 56333) of Chapter 4 of Part 30 of Division 4 of Title 2, and Sections 3030 and 3031 of Title 5 of the California Code of Regulations. These children shall have an active individualized education program, shall be receiving early intervention services or appropriate special education and related services, and shall be children who require the special attention of adults in a child care setting. These children include children with intellectual disabilities, hearing impairments (including deafness), speech or language impairments, visual impairments (including blindness), serious emotional disturbance (also referred to as emotional disturbance), orthopedic impairments, autism, traumatic brain injury, other health impairments, or specific learning disabilities, who need special education and related services consistent with Section 1401(3)(A) of Title 20 of the United States Code.

(m) “Closedown costs” means reimbursements for all approved activities associated with the closing of operations at the end of each growing season for migrant child development programs only.

(n) “Cost” includes, but is not limited to, expenditures that are related to the operation of child care and development programs. “Cost” may include a reasonable amount for state and local contributions to employee benefits, including approved retirement programs, agency administration, and any other reasonable program operational costs. “Cost” may also include amounts for licensable facilities in the community served by the program, including lease payments or depreciation, downpayments, and payments of principal and interest on loans incurred to acquire, rehabilitate, or construct licensable facilities, but these costs shall not exceed fair market rents existing in the community in which the facility is located. “Reasonable and necessary costs” are costs that, in nature and amount, do not exceed what an ordinary prudent person would incur in the conduct of a competitive business.

(o) “Elementary school,” as contained in former Section 425 of Title 20 of the United States Code (the National Defense Education Act of 1958, Public Law 85-864, as amended), includes early childhood education programs and all child development programs, for the purpose of the cancellation provisions of loans to students in institutions of higher learning.

(p) “Family child care home education network” means an entity organized under law that contracts with the department pursuant to Section 8245 to make payments to licensed family child care home providers and to provide educational and support services to those providers and to children and families eligible for state-subsidized child care and development services. A family child care home education network may also be referred to as a family child care home system.

(q) “Health services” include, but are not limited to, all of the following:  
(1) Referral, whenever possible, to appropriate health care providers able to provide continuity of medical care.

(2) Health screening and health treatment, including a full range of immunization recorded on the appropriate state immunization form to the extent provided by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code) and the Child Health and Disability Prevention Program (Article 6 (commencing with Section 124025) of Chapter 3 of Part 2 of Division 106 of the Health and Safety Code), but only to the extent that ongoing care cannot be obtained utilizing community resources.

(3) Health education and training for children, parents, staff, and providers.

(4) Followup treatment through referral to appropriate health care agencies or individual health care professionals.

(r) “Higher educational institutions” means the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Community Colleges, and the governing bodies of any accredited private nonprofit institution of postsecondary education.

(s) “Intergenerational staff” means persons of various generations.

(t) “Limited-English-speaking-proficient and non-English-speaking-proficient children” means children who are unable to benefit fully from an English-only child care and development program as a result of either of the following:

(1) Having used a language other than English when they first began to speak.

(2) Having a language other than English predominantly or exclusively spoken at home.

(u) “Parent” means a biological parent, stepparent, adoptive parent, foster parent, caretaker relative, or any other adult living with a child who has responsibility for the care and welfare of the child.

(v) “Program director” means a person who, pursuant to Sections 8244 and 8360.1, is qualified to serve as a program director.

(w) “Proprietary child care agency” means an organization or facility providing child care, which is operated for profit.

(x) “Resource and referral programs” means programs that provide information to parents, including referrals and coordination of community resources for parents and public or private providers of care. Services frequently include, but are not limited to: technical assistance for providers, toy-lending libraries, equipment-lending libraries, toy- and equipment-lending libraries, staff development programs, health and nutrition education, and referrals to social services.

(y) “Severely disabled children” are children with exceptional needs from birth to 21 years of age, inclusive, who require intensive instruction and training in programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, or severe intellectual disabilities. “Severely

disabled children” also include those individuals who would have been eligible for enrollment in a developmental center for handicapped pupils under Chapter 6 (commencing with Section 56800) of Part 30 of Division 4 of Title 2 as it read on January 1, 1980.

(z) “Short-term respite child care” means child care service to assist families whose children have been identified through written referral from a legal, medical, or social service agency, or emergency shelter as being neglected, abused, exploited, or homeless, or at risk of being neglected, abused, exploited, or homeless. Child care is provided for less than 24 hours per day in child care centers, treatment centers for abusive parents, family child care homes, or in the child’s own home.

(aa) (1) “Site supervisor” means a person who, regardless of his or her title, has operational program responsibility for a child care and development program at a single site. A site supervisor shall hold a permit issued by the Commission on Teacher Credentialing that authorizes supervision of a child care and development program operating in a single site. The Superintendent may waive the requirements of this subdivision if the Superintendent determines that the existence of compelling need is appropriately documented.

(2) For California state preschool programs, a site supervisor may qualify under any of the provisions in this subdivision, or may qualify by holding an administrative credential or an administrative services credential. A person who meets the qualifications of a program director under both Sections 8244 and 8360.1 is also qualified under this subdivision.

(ab) “Standard reimbursement rate” means that rate established by the Superintendent pursuant to Section 8265.

(ac) “Startup costs” means those expenses an agency incurs in the process of opening a new or additional facility before the full enrollment of children.

(ad) “California state preschool program” means part-day and full-day educational programs for low-income or otherwise disadvantaged three- and four-year-old children.

(ae) “Support services” means those services that, when combined with child care and development services, help promote the healthy physical, mental, social, and emotional growth of children. Support services include, but are not limited to: protective services, parent training, provider and staff training, transportation, parent and child counseling, child development resource and referral services, and child placement counseling.

(af) “Teacher” means a person with the appropriate permit issued by the Commission on Teacher Credentialing who provides program supervision and instruction that includes supervision of a number of aides, volunteers, and groups of children.

(ag) “Underserved area” means a county or subcounty area, including, but not limited to, school districts, census tracts, or ZIP Code areas, where the ratio of publicly subsidized child care and development program services to the need for these services is low, as determined by the Superintendent.

(ah) “Workday” means the time that the parent requires temporary care for a child for any of the following reasons:

- (1) To undertake training in preparation for a job.
- (2) To undertake or retain a job.
- (3) To undertake other activities that are essential to maintaining or improving the social and economic function of the family, are beneficial to the community, or are required because of health problems in the family.

(ai) “Three-year-old children” means children who will have their third birthday on or before the date specified of the fiscal year in which they are enrolled in a California state preschool program, as follows:

- (1) November 1 of the 2012–13 fiscal year.
- (2) October 1 of the 2013–14 fiscal year.
- (3) September 1 of the 2014–15 fiscal year and each fiscal year thereafter.

(aj) “Four-year-old children” means children who will have their fourth birthday on or before the date specified of the fiscal year in which they are enrolled in a California state preschool program, as follows:

- (1) November 1 of the 2012–13 fiscal year.
- (2) October 1 of the 2013–14 fiscal year.
- (3) September 1 of the 2014–15 fiscal year and each fiscal year thereafter.

(ak) “Homeless children and youth” has the same meaning as defined in Section 11434a(2) of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.).

(al) “Local educational agency” means a school district, a county office of education, a community college district, or a school district acting on behalf of one or more schools within the school district.

SEC. 6. Section 8227.6 is added to the Education Code, to read:

8227.6. Alternative payment programs and providers operating or providing services pursuant to this article may use digital forms to allow families to apply for services, if those forms comply with state and federal standards.

SEC. 7. Section 8235 of the Education Code is amended to read:

8235. (a) The Superintendent shall administer all California state preschool programs. Those programs shall include, but not be limited to, part-day age and developmentally appropriate programs designed to facilitate the transition to kindergarten for three- and four-year-old children in educational development, health services, social services, nutritional services, parent education and parent participation, evaluation, and staff development. Preschool programs for which federal reimbursement is not available shall be funded as prescribed by the Legislature in the Budget Act, and unless otherwise specified by the Legislature, shall not use federal funds made available through Title XX of the federal Social Security Act (42 U.S.C. Sec. 1397).

(b) Three- and four-year-old children are eligible for the part-day California state preschool program if the family meets at least one of the criteria specified in paragraph (1) of subdivision (a) of Section 8263.

(c) Notwithstanding any other law, a part-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Sections 8263 and 8263.1, after all eligible three- and four-year-old

children have been enrolled. No more than 10 percent of children enrolled, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(d) Notwithstanding any other law, after all otherwise eligible children have been enrolled, a part-day California state preschool program may provide services to three- and four-year-old children in families whose income is above the income eligibility threshold if those children have been identified as "children with exceptional needs" pursuant to subdivision (I) of Section 8208. Children receiving services pursuant to this subdivision shall not count towards the 10-percent limit of children from families above the income eligibility threshold as specified in subdivision (c).

(e) A part-day California state preschool program shall operate for a minimum of (1) three hours per day, excluding time for home-to-school transportation, and (2) a minimum of 175 days per year, unless the contract specifies a lower number of days of operation.

(f) Any agency described in subdivision (c) of Section 8208 as an "applicant or contracting agency" is eligible to contract to operate a California state preschool program.

(g) Part-day preschool services shall be reimbursed on a per capita basis, as determined by the Superintendent, and contingent on funding being provided for the part-day preschool services in the annual Budget Act.

(h) Federal Head Start funds used to provide services to families receiving California state preschool services shall be deemed nonrestricted funds.

SEC. 8. Section 8262.2 is added to the Education Code, to read:

8262.2. Contractors operating or providing services pursuant to this chapter may use digital forms to allow families to apply for services, if those forms comply with state and federal standards.

SEC. 9. Section 8263 of the Education Code is amended to read:

8263. (a) (1) The Superintendent shall adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement this chapter. In order to be eligible for federal and state subsidized child development services, families shall meet at least one requirement in each of the following areas:

(A) A family is (i) a current aid recipient, (ii) income eligible, (iii) homeless, or (iv) one whose children are recipients of protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(B) A family needs the child care services (i) because the child is identified by a legal, medical, or social services agency, a local educational agency liaison for homeless children and youths designated pursuant to Section 11432(g)(1)(J)(ii) of Title 42 of the United States Code, a Head Start program, or an emergency or transitional shelter as (I) a recipient of protective services, (II) being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation, or (III) being homeless or (ii) because the parents are (I) engaged in vocational training leading directly to a recognized trade, paraprofession, or profession, (II) employed or seeking employment, (III) seeking permanent housing for family stability, or (IV) incapacitated.

(2) If only one parent has signed an application for enrollment in child care services, as required by this chapter or regulations adopted to implement this chapter, and the information provided on the application indicates that there is a second parent who has not signed the application, the parent who has signed the application shall self-certify the presence or absence of the second parent under penalty of perjury. The parent who has signed the application shall not be required to submit additional information documenting the presence or absence of the second parent.

(b) Except as provided in Article 15.5 (commencing with Section 8350), priority for federal and state subsidized child development services is as follows:

(1) First priority shall be given to neglected or abused children who are recipients of child protective services, or children who are at risk of being neglected or abused, upon written referral from a legal, medical, or social services agency. If an agency is unable to enroll a child in the first priority category, the agency shall refer the family to local resource and referral services to locate services for the child.

(2) Second priority shall be given equally to eligible families, regardless of the number of parents in the home, who are income eligible. Within this priority, families with the lowest gross monthly income in relation to family size, as determined by a schedule adopted by the Superintendent, shall be admitted first. If two or more families are in the same priority in relation to income, the family that has a child with exceptional needs shall be admitted first. If there is no family of the same priority with a child with exceptional needs, the same priority family that has been on the waiting list for the longest time shall be admitted first. For purposes of determining order of admission, the grants of public assistance recipients shall be counted as income.

(3) The Superintendent shall set criteria for, and may grant specific waivers of, the priorities established in this subdivision for agencies that wish to serve specific populations, including children with exceptional needs or children of prisoners. These new waivers shall not include proposals to avoid appropriate fee schedules or admit ineligible families, but may include proposals to accept members of special populations in other than strict income order, as long as appropriate fees are paid.

(c) Notwithstanding any other law, in order to promote continuity of services, a family enrolled in a state or federally funded child care and development program whose services would otherwise be terminated because the family no longer meets the program income, eligibility, or need criteria may continue to receive child development services in another state or federally funded child care and development program if the contractor is able to transfer the family's enrollment to another program for which the family is eligible before the date of termination of services or to exchange the family's existing enrollment with the enrollment of a family in another program, provided that both families satisfy the eligibility requirements for the program in which they are being enrolled. The transfer of enrollment may be to another program within the same administrative agency or to

another agency that administers state or federally funded child care and development programs.

(d) A physical examination and evaluation, including age-appropriate immunization, shall be required before, or within six weeks of, enrollment. A standard, rule, or regulation shall not require medical examination or immunization for admission to a child care and development program of a child whose parent or guardian files a letter with the governing board of the child care and development program stating that the medical examination or immunization is contrary to his or her religious beliefs, or provide for the exclusion of a child from the program because of a parent or guardian having filed the letter. However, if there is good cause to believe that a child is suffering from a recognized contagious or infectious disease, the child shall be temporarily excluded from the program until the governing board of the child care and development program is satisfied that the child is not suffering from that contagious or infectious disease.

(e) Regulations formulated and promulgated pursuant to this section shall include the recommendations of the State Department of Health Care Services relative to health care screening and the provision of health care services. The Superintendent shall seek the advice and assistance of these health authorities in situations where service under this chapter includes or requires care of children who are ill or children with exceptional needs.

(f) The Superintendent shall establish guidelines for the collection of employer-sponsored child care benefit payments from a parent whose child receives subsidized child care and development services. These guidelines shall provide for the collection of the full amount of the benefit payment, but not to exceed the actual cost of child care and development services provided, notwithstanding the applicable fee based on the fee schedule.

(g) The Superintendent shall establish guidelines according to which the director or a duly authorized representative of the child care and development program will certify children as eligible for state reimbursement pursuant to this section.

(h) (1) Except as provided in paragraphs (2) to (4), inclusive, upon establishing initial eligibility or ongoing eligibility for services under this chapter, a family shall be considered to meet all eligibility and need requirements for those services for not less than 12 months, shall receive those services for not less than 12 months before having their eligibility or need recertified, and shall not be required to report changes to income or other changes for at least 12 months.

(2) A family that establishes initial eligibility or ongoing eligibility on the basis of income shall report increases in income that exceed the threshold for ongoing income eligibility as described in subdivision (b) of Section 8263.1, and the family's ongoing eligibility for services shall at that time be recertified.

(3) A family that establishes initial eligibility or ongoing eligibility on the basis of seeking employment shall receive services under this chapter as follows:

(A) If seeking employment is the basis for initial eligibility, the family shall receive services under this chapter for not less than six months.

(B) If, at the time of recertification, the only basis established for ongoing eligibility is a parent's need to seek employment, the family shall receive services for no less than six months.

(4) A family may at any time voluntarily report income or other changes. This information shall be used, as applicable, to reduce the family's fees, increase the family's services, or extend the period of the family's eligibility before recertification.

(i) (1) Because a family that meets eligibility requirements at its most recent eligibility certification or recertification is considered eligible until the next recertification, as provided in subdivision (h), a payment made by a child development program for a child during this period shall not be considered an error or an improper payment due to a change in the family's circumstances during that same period.

(2) Notwithstanding paragraph (1), the Superintendent or his or her designated agent may seek to recover payments that are the result of fraud.

(j) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) and Section 33308.5 of this code, until regulations are filed with the Secretary of State to implement subdivision (h), the department shall implement subdivision (h) through management bulletins or similar letters of instruction on or before October 1, 2017.

(2) The department shall initiate a rulemaking action to implement subdivision (h) on or before December 31, 2018. The department shall convene a workgroup of parents, advocates, department staff, child development program representatives, and other stakeholders to develop recommendations regarding implementing subdivision (h).

(k) Public funds shall not be paid directly or indirectly to an agency that does not pay at least the minimum wage to each of its employees.

SEC. 10. Section 8263.1 of the Education Code is amended to read:

8263.1. (a) For purposes of establishing initial income eligibility for services under this chapter, "income eligible" means that a family's adjusted monthly income is at or below 70 percent of the state median income, adjusted for family size, as specified in subdivision (c).

(b) For purposes of establishing ongoing income eligibility under this chapter, "ongoing income eligible" means that a family's adjusted monthly income is at or below 85 percent of the state median income, adjusted for family size, as specified in subdivision (c).

(c) The Department of Finance shall calculate the state median income for family sizes of one to four, inclusive, by using the most recent census data available on state median family income in the past 12 months by family size. The Department of Finance shall calculate the state median income for family sizes of five and above by using the most recent census data for a family of four and multiplying this number by the ratios for the appropriate family size used in the federal Low-Income Home Energy

Assistance Program (42 U.S.C. Sec. 8621 et seq.) and specified in federal regulations at paragraphs (5), (6), and (7) of subdivision (b) of Section 96.85 of Title 45 of the Code of Federal Regulations. The Department of Finance shall update its calculations of the state median income for families according to the methodology provided in this subdivision and provide the updated data to the department no later than May 1 of each fiscal year.

(d) The income of a recipient of federal supplemental security income benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program benefits pursuant to Title XVI of the federal Social Security Act and Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code shall not be included as income for purposes of determining eligibility for child care under this chapter.

SEC. 11. Section 8265 of the Education Code is amended to read:

8265. (a) The Superintendent shall implement a plan that establishes reasonable standards and assigned reimbursement rates, which vary with the length of the program year and the hours of service.

(1) Parent fees shall be used to pay reasonable and necessary costs for providing additional services.

(2) When establishing standards and assigned reimbursement rates, the Superintendent shall confer with applicant agencies.

(3) The reimbursement system, including standards and rates, shall be submitted to the Joint Legislative Budget Committee.

(4) The Superintendent may establish any regulations he or she deems advisable concerning conditions of service and hours of enrollment for children in the programs.

(b) Commencing July 1, 2017, the standard reimbursement rate shall be eleven thousand three hundred sixty dollars (\$11,360) and, commencing with the 2018–19 fiscal year, shall be increased by the cost-of-living adjustment granted by the Legislature annually pursuant to Section 42238.15. Commencing July 1, 2017, the full-day state preschool reimbursement rate shall be eleven thousand four hundred thirty-two dollars and fifty cents (\$11,432.50) and, commencing with the 2018–19 fiscal year, shall be increased by the cost-of-living adjustment granted by the Legislature annually pursuant to Section 42238.15. It is the intent of the Legislature to further increase the standard reimbursement rate through the 2018–19 fiscal year to reflect increased costs to providers resulting from increases in the state minimum wage.

(c) The plan shall require agencies having an assigned reimbursement rate above the current year standard reimbursement rate to reduce costs on an incremental basis to achieve the standard reimbursement rate.

(d) (1) The plan shall provide for adjusting reimbursement on a case-by-case basis, in order to maintain service levels for agencies currently at a rate less than the standard reimbursement rate. Assigned reimbursement rates shall be increased only on the basis of one or more of the following:

(A) Loss of program resources from other sources.

(B) Need of an agency to pay the same child care rates as those prevailing in the local community.

(C) Increased costs directly attributable to new or different regulations.

(D) Documented increased costs necessary to maintain the prior year's level of service and ensure the continuation of threatened programs.

(2) Child care agencies funded at the lowest rates shall be given first priority for increases.

(e) The plan shall provide for expansion of child development programs at no more than the standard reimbursement rate for that fiscal year.

(f) The Superintendent may reduce the percentage of reduction for a public agency that satisfies any of the following:

(1) Serves more than 400 children.

(2) Has in effect a collective bargaining agreement.

(3) Has other extenuating circumstances that apply, as determined by the Superintendent.

SEC. 12. Section 8273.1 of the Education Code is amended to read:

8273.1. (a) A family that receives services pursuant to paragraph (1) of subdivision (b) of Section 8263 may be exempt from family fees for up to 12 months.

(b) Notwithstanding any other law, a family receiving CalWORKs cash aid shall not be charged a family fee.

(c) Notwithstanding any other law, commencing with the 2014–15 fiscal year, family fees shall not be assessed for the part-day California preschool program to income eligible families whose children are enrolled in that program pursuant to Article 7 (commencing with Section 8235).

SEC. 13. Section 8357 of the Education Code is amended to read:

8357. (a) The cost of child care services provided under this article shall be governed by regional market rates. Recipients of child care services provided pursuant to this article shall be allowed to choose the child care services of licensed child care providers or child care providers who are, by law, not required to be licensed, and the cost of that child care shall be reimbursed by counties or agencies that contract with the department if the cost is within the regional market rate. For purposes of this section, "regional market rate" means care costing no more than 1.5 market standard deviations above the mean cost of care for that region. It is the intent of the Legislature to reimburse child care providers at the 85th percentile of the most recent regional market rate survey. It is also the intent of the Legislature to update the regional market rate ceilings with each new regional market rate survey, based on available funding, and to further increase the regional market rate ceilings through the 2018–19 fiscal year to reflect increased costs to providers resulting from increases in the state minimum wage.

(b) Commencing January 1, 2017, and until December 31, 2017, the regional market rate ceilings shall be established at the greater of either of the following:

(1) The 75th percentile of the 2014 regional market rate survey for that region.

(2) The regional market rate ceiling for that region as it existed on December 31, 2016.

(c) Commencing January 1, 2018, and until December 31, 2018, the regional market rate ceilings shall be established at the greater of either of the following:

(1) The 75th percentile of the 2016 regional market rate survey for that region.

(2) The regional market rate ceiling that existed in that region on December 31, 2017.

(d) Commencing January 1, 2019, the regional market rate ceilings shall be established at the 75th percentile of the 2016 regional market rate survey for that region.

(e) Commencing January 1, 2017, reimbursement to license-exempt child care providers shall not exceed 70 percent of the family child care home rate established pursuant to subdivisions (b) and (c).

(f) Reimbursement to child care providers shall not exceed the fee charged to private clients for the same service.

(g) Reimbursement shall not be made for child care services when care is provided by parents, legal guardians, or members of the assistance unit.

(h) A child care provider located on an Indian reservation or rancheria and exempted from state licensing requirements shall meet applicable tribal standards.

(i) For purposes of this section, “reimbursement” means a direct payment to the provider of child care services, including license-exempt providers. If care is provided in the home of the recipient, payment may be made to the parent as the employer, and the parent shall be informed of his or her concomitant legal and financial reporting requirements. To allow time for the development of the administrative systems necessary to issue direct payments to providers, for a period not to exceed six months from the effective date of this article, a county or an alternative payment agency contracting with the department may reimburse the cost of child care services through a direct payment to a recipient of aid rather than to the child care provider.

(j) Counties and alternative payment programs shall not be bound by the rate limits described in subdivisions (a) to (d), inclusive, when there are, in the region, no more than two child care providers of the type needed by the recipient of child care services provided under this article.

(k) (1) Notwithstanding any other law, reimbursements to child care providers based upon a daily rate may only be authorized under either of the following circumstances:

(A) A family has an unscheduled but documented need of six hours or more per occurrence, such as the parent’s need to work on a regularly scheduled day off, that exceeds the certified need for child care.

(B) A family has a documented need of six hours or more per day that exceeds no more than 14 days per month. In no event shall reimbursements to a provider based on the daily rate over one month’s time exceed the provider’s equivalent full-time monthly rate or applicable monthly ceiling.

(2) This subdivision shall not limit providers from being reimbursed for services using a weekly or monthly rate, pursuant to subdivision (c) of Section 8222.

SEC. 14. Section 11800 of the Education Code is amended to read:

11800. (a) (1) The K–12 High-Speed Network (K–12 HSN) is hereby established for the purpose of enriching pupil educational experiences and improving pupil academic performance by providing high-speed, high-bandwidth Internet connectivity to the public school system, as defined by Section 6 of Article IX of the California Constitution.

(2) The California Education Network is hereby established, consisting of the California Research and Education Network (CalREN) and the K–12 HSN.

(b) The Superintendent shall collect the information necessary to measure the success of the K–12 HSN and ensure that the benefits of the K–12 HSN are maximized to the extent possible. The K–12 HSN shall provide critical services and functions for public primary and secondary local educational agencies, including, but not limited to, all of the following:

(1) Reliable and cost-effective Internet service.

(2) Reliable and secure interconnectivity among public school entities offering kindergarten or any of grades 1 to 12, inclusive, in California, connection to higher education institutions of California, and connection to state and local agencies to facilitate efficient interaction, including transmission of data.

(3) Videoconferencing and related distance learning capabilities.

(4) Statewide coordination of network uses to benefit teaching and learning.

(c) The Superintendent shall use a competitive grant process to select a local educational agency to serve as the lead education agency to administer the K–12 HSN on behalf of the Superintendent.

(d) The Superintendent shall establish a K–12 HSN advisory board to be composed of all of the following members:

(1) The Superintendent, or his or her designee.

(2) The county superintendent of schools of the lead education agency.

(3) A county superintendent of schools of a county with an average daily attendance of more than 60,000 pupils, appointed by the Superintendent. The member appointed pursuant to this paragraph shall serve a renewable two-year term.

(4) Three school district superintendents, appointed by the Superintendent. Members appointed pursuant to this paragraph shall represent school districts that are diverse as to geography and size, and that serve socioeconomically and culturally diverse pupil populations. Members appointed pursuant to this paragraph shall serve renewable two-year terms.

(5) Two county superintendents of schools appointed by the majority of the votes of all of the county superintendents of schools. Members appointed pursuant to this paragraph shall serve renewable two-year terms.

(6) Three schoolsite representatives, who shall include not less than two classroom teachers or instructional specialists. Members appointed pursuant to this paragraph shall serve renewable two-year terms.

(7) The president of the state board or his or her designee.

(e) The advisory board shall meet quarterly and shall recommend policy direction and broad operational guidance to the Superintendent and the lead education agency. The advisory board, in consultation with the lead education agency, shall develop recommendations for measuring the success of the network, improving network oversight and monitoring, strengthening accountability, and optimizing the use of the K–12 HSN and its ability to improve education. The advisory board shall report its recommendations to the Legislature, the Governor, the Department of Finance, the president of the state board or his or her designee, and the Legislative Analyst’s Office by March 1, 2007. It is the intent of the Legislature that the report identify and recommend specific annual performance measures that should be established to assess the effectiveness of the network.

(f) The duties of the lead education agency, shall include all of the following:

(1) (A) Before expending any funds for planned network upgrade projects that exceed twenty-five thousand dollars (\$25,000) in cost, development of a methodology to determine and prioritize planned network upgrade projects, including the size and scope of any planned network upgrade project, which takes into consideration at least all of the following:

(i) Peak network usage to circuit capacity ratios.

(ii) Multiyear trends in network traffic, as follows:

(I) For projects that begin during the 2017–18 fiscal year, at least two years of trends in network traffic.

(II) For projects that begin during the 2018–19 fiscal year, at least three years of trends in network traffic.

(III) For projects that begin during the 2019–20 fiscal year, at least four years of trends in network traffic.

(IV) For projects that begin during the 2020–21 fiscal year or later, at least five years of trends in network traffic.

(iii) Eligibility for subsidies provided through the federal E-Rate program.

(iv) Competitive bidding results within a level of capacity upgrade and across all feasible levels of capacity upgrades.

(v) Actual expected usage projections and other input, as determined through formal communication with network site administrators.

(vi) Specific network performance measures, including the frequency, cause, location, and duration of network outages or interruptions.

(vii) Useful life of proposed equipment upgrades.

(B) The lead education agency shall submit its methodology to the department, the appropriate policy and fiscal committees of the Legislature, and the Department of Finance by December 15, 2017. Commencing with the 2017–18 fiscal year and in each fiscal year thereafter, the lead education agency shall utilize its methodology for all planned network upgrade projects that exceed twenty-five thousand dollars (\$25,000) in cost.

(2) Entering into appropriate contracts for the provision of high-speed, high-bandwidth Internet connectivity, provided the contracts secure the necessary terms and conditions to adequately protect the interests of the state. Terms and conditions shall include, but are not limited to, all of the following:

- (A) Development of comprehensive service level agreements.
- (B) Protection of any ownership rights of intellectual property of the state that result due to participation of the state in the K-12 HSN.
- (C) Appropriate protection of assets of the state acquired due to its participation in the K-12 HSN.
- (D) Assurance that appropriate fee structures are in place.
- (E) Assurance that any interest earned on funds of the state for this purpose are used solely to the benefit of the project.

(3) Development of an annual budget request for the K-12 HSN for submission to the department and the Department of Finance to be considered for the annual Budget Act.

(4) Development, in consultation with the advisory board established pursuant to subdivision (d), of specific goals and objectives for the program with appropriate reporting of success measures developed by the Superintendent pursuant to subdivision (b).

(5) Ongoing fiscal oversight of the program, including mechanisms to control statewide costs and exposure. To accomplish this objective, the lead education agency shall contract for an annual independent audit of the program. The independent auditor shall report the audit findings to the Superintendent, the Legislature, and the Department of Finance by December 15 of each year.

(6) Ongoing technical oversight of the program, including external evaluation and independent validation, where appropriate. To accomplish this objective, the lead education agency shall contract for an independent evaluation to be completed and provided to the Superintendent by March 1, 2009. The Superintendent shall report the results of the evaluation, including a response and recommendations to correct any adverse findings from the evaluation, to the Governor and the Legislature by April 30, 2009.

(7) (A) Administering grant programs to promote the most cost-effective manner for the completion of connectivity for all public schools of the state and cost-effective applications that meet instructional needs to the extent that funds are provided for these purposes in the annual Budget Act.

(B) Before the appropriation of any state funds for the purposes of this paragraph, the lead education agency shall submit information justifying the need for additional grant funds, including, but not limited to, all of the following:

- (i) The number of schools and school districts that are already connected.
- (ii) The means by which the costs associated with connectivity were covered for schools and school districts that are already connected.
- (iii) Obstacles to connection for those schools and school districts that are not yet connected.

(iv) Other local options and funding sources for purposes of connectivity and applications.

(g) The Superintendent shall apportion funds appropriated for the program in a given fiscal year in compliance with both of the following:

(1) Three-fourths of the total amount appropriated shall be apportioned by August 31.

(2) Up to one-fourth of the total amount appropriated shall be apportioned by January 31.

(h) The Superintendent may request data and other programmatic information from the lead education agency as needed to oversee the program.

SEC. 15. Section 17078.73 of the Education Code is repealed.

SEC. 16. Section 17080 of the Education Code is amended to read:

17080. (a) Notwithstanding any other law, whenever moneys transferred to the General Fund each year from (1) moneys deposited in the Public School Building Loan Fund pursuant to Section 15735, and (2) moneys deposited in the State School Building Aid Fund pursuant to Section 16080, are in excess of the amounts required to reimburse the General Fund on account of principal and interest due and payable for that fiscal year on all school building aid bonds outstanding against the state, an amount equal to such excess is appropriated from the General Fund for purposes of the School Facilities Emergency Repair Account established pursuant to Section 17592.71. The Controller shall transfer the appropriated amount to the School Facilities Emergency Repair Account.

(b) This section shall become inoperative on July 1, 2018, and, as of January 1, 2019, is repealed.

SEC. 17. Section 17224 of the Education Code is amended to read:

17224. (a) Any funds in the State School Site Utilization Fund, including interest, that are not subject to return to a school district pursuant to Section 17223 shall, upon appropriation by the Legislature, be allocated for purposes of administering the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10).

(b) Any unencumbered funds in the State School Deferred Maintenance Fund after July 1, 2014, shall be transferred to the State School Site Utilization Fund.

SEC. 18. Section 17592.71 of the Education Code is amended to read:

17592.71. (a) There is hereby established in the State Treasury the School Facilities Emergency Repair Account. The State Allocation Board shall administer the account.

(b) (1) Commencing with the 2005–06 fiscal year, an amount of moneys shall be transferred in the annual Budget Act from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account, equaling 50 percent of the unappropriated balance of the Proposition 98 Reversion Account or one hundred million dollars (\$100,000,000), whichever amount is greater. Moneys transferred pursuant to this subdivision shall be used for the purpose of addressing emergency facilities needs pursuant to Section 17592.72.

(2) Notwithstanding paragraph (1), for the 2008–09 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall not exceed one hundred one million dollars (\$101,000,000).

(3) Notwithstanding paragraph (1), for the 2009–10 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(4) Notwithstanding paragraph (1), for the 2010–11 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(5) Notwithstanding paragraph (1), for the 2011–12 fiscal year, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(6) Notwithstanding paragraph (1), for the 2012–13 and 2013–14 fiscal years, the amount of money to be transferred from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account pursuant to paragraph (1) shall be zero dollars (\$0).

(c) The Legislature may transfer to the School Facilities Emergency Repair Account other one-time Proposition 98 funds, except funds specified pursuant to Section 41207, as repealed and added by Section 6 of Chapter 216 of the Statutes of 2004. Donations by private entities shall be deposited in the account and, for tax purposes, be treated as otherwise provided by law.

(d) Funds shall be transferred pursuant to this section until a total of eight hundred million dollars (\$800,000,000) has been disbursed from the School Facilities Emergency Repair Account.

(e) Any unencumbered balance available in the School Facilities Emergency Repair Account after July 1, 2018, shall revert to the Proposition 98 Reversion Account.

SEC. 19. Section 33050 of the Education Code is amended to read:

33050. (a) The governing board of a school district or a county board of education, on a districtwide or countywide basis or on behalf of one or more of its schools or programs, after a public hearing on the matter, may request the state board to waive all or part of any section of this code or any regulation adopted by the state board that implements a provision of this code that may be waived, except:

(1) Article 1 (commencing with Section 15700) and Article 2 (commencing with Section 15780) of Chapter 4 of Part 10 of Division 1 of Title 1.

(2) Chapter 6 (commencing with Section 16000) of Part 10 of Division 1 of Title 1.

(3) Chapter 12 (commencing with Section 17000), Chapter 12.5 (commencing with Section 17070.10), and Chapter 14 (commencing with Section 17085) of Part 10 of Division 1 of Title 1.

(4) Part 13 (commencing with Section 22000), Part 13.5 (commencing with Section 25900), and Part 14 (commencing with Section 26000) of Division 1 of Title 1.

(5) Section 35735.1.

(6) Paragraph (8) of subdivision (a) of Section 37220.

(7) The following provisions of Part 10.5 (commencing with Section 17210) of Division 1 of Title 1:

(A) Chapter 1 (commencing with Section 17210).

(B) Article 1 (commencing with Section 17251) to Article 6 (commencing with Section 17365), inclusive, of Chapter 3.

(C) Sections 17416 to 17429, inclusive; Sections 17459 and 17462; subdivision (a) of Section 17464; and Sections 17582 to 17590, inclusive.

(8) The following provisions of Part 24 (commencing with Section 41000) of Division 3:

(A) Sections 41000 to 41360, inclusive.

(B) Sections 41420 to 41423, inclusive.

(C) Sections 41600 to 41863, inclusive.

(D) Sections 41930 to 42850, inclusive.

(9) Sections 44504 and 44505.

(10) Article 3 (commencing with Section 44930) of Chapter 4 of Part 25 of Division 3 and regulations in Title 5 of the California Code of Regulations adopted pursuant to Article 3 (commencing with Section 44930) of Chapter 4 of Part 25 of Division 3.

(11) Part 26 (commencing with Section 46000) of Division 4.

(12) Chapter 6 (commencing with Section 48900) and Chapter 6.5 (commencing with Section 49060) of Part 27 of Division 4.

(13) Section 51513.

(14) Section 52163.

(15) The identification and assessment criteria relating to any categorical aid program, including Sections 52164.1 and 52164.6.

(16) Sections 52165, 52166, and 52178.

(17) Article 3 (commencing with Section 52850) of Chapter 12 of Part 28 of Division 4.

(18) Section 56364.1, except that this restriction shall not prohibit the state board from approving any waiver of Section 56364.2, relating to full inclusion.

(19) Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 of Division 4, relating to the California Assessment of Student Performance and Progress (CAASPP), and any other provisions of Chapter 5 (commencing with Section 60600) of Part 33 of Division 4 that establish requirements for the CAASPP.

(b) Any waiver of provisions related to the programs identified in Section 52851 shall be granted only pursuant to Article 3 (commencing with Section 52850) of Chapter 12 of Part 28 of Division 4.

(c) The waiver of an advisory committee required by law shall be granted only pursuant to Article 4 (commencing with Section 52870) of Chapter 12 of Part 28 of Division 4.

(d) A request for a waiver submitted by the governing board of a school district or a county board of education pursuant to subdivision (a) shall include a written statement as to both of the following:

(1) Whether the exclusive representative of employees, if any, as provided in Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, participated in the development of the waiver.

(2) The exclusive representative's position regarding the waiver.

(e) A request for a waiver submitted pursuant to subdivision (a) relating to a regional occupational center or program established pursuant to Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of Division 4, which is operated by a joint powers entity established pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code, shall be submitted as a joint waiver request for each participating school district and shall meet both of the following conditions:

(1) Each joint waiver request shall comply with all of the requirements of this article.

(2) The submission of a joint waiver request shall be approved by a unanimous vote of the governing board of the joint powers agency.

(f) The governing board of any school district requesting a waiver under this section of any provision of Article 5 (commencing with Section 39390) of Chapter 3 of Part 23 shall provide written notice of any public hearing it conducted pursuant to subdivision (a), at least 30 days prior to the hearing, to each public agency identified under Section 39394.

SEC. 20. Section 37202 of the Education Code is amended to read:

37202. (a) Except if a school has been closed by order of a city or a county board of health, or of the State Board of Health, on account of contagious disease, or if the school has been closed on account of fire, flood, or other public disaster, the governing board of a school district shall maintain all of the elementary day schools established by it for an equal length of time during the school year and all of the day high schools established by it for an equal length of time during the school year.

(b) Notwithstanding subdivision (a), a school district that is implementing an early primary program, pursuant to Chapter 8 (commencing with Section 8970) of Part 6, may maintain kindergarten or transitional kindergarten classes for different lengths of time during the schoolday, either at the same or a different schoolsite.

SEC. 21. Section 40090 of the Education Code is amended to read:

40090. The department may assess fees to any instructor applicant who will be training drivers of any vehicle as defined in Section 322, 545, 546, or 642 of the Vehicle Code. The fees may not be more than necessary to offset the department's reasonable costs.

SEC. 22. Section 41024 is added to the Education Code, to read:

41024. (a) (1) Commencing April 1, 2017, a local educational agency that receives any funds pursuant to the Leroy F. Greene School Facilities

Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1) shall annually report a detailed list of all expenditures of state funds, including interest, and of the local educational agency's matching funds for completed projects until all state funds, including interest, all of the local educational agency's matching funds, and savings achieved, including interest, pursuant to Section 17070.63, are expended in accordance with the requirements of the Leroy F. Greene School Facilities Act of 1998, associated regulations, and any accompanying grant agreement signed by a local educational agency. A local educational agency's detailed list of expenditures shall identify expenditures on a project-by-project basis, reflect completed projects that were reimbursed within that fiscal year, and shall clearly indicate the list of projects that have been completed.

(2) For purposes of this section, the determination that a project is complete shall be in accordance with the regulations adopted pursuant to the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1).

(3) The total amount of interest earned on the state funds shall be reported on the final expenditure report upon completion of a project. For the purposes of determining the total amount of interest earned on the state funds, interest shall be considered to accrue from the time state funds are deposited in the local educational agency's account until the time the local educational agency submits the final expenditure report to the Office of Public School Construction.

(4) Commencing April 1, 2017, a local educational agency participating in the school facilities program shall ensure that it retains all financial accounts, documents, and records necessary for an audit of completed projects pursuant to Section 16026 of Title 5 of the California Code of Regulations. For purposes of this paragraph and in compliance with any applicable state and federal standards, a local educational agency may maintain records electronically.

(5) Any project identified on a local educational agency's detailed list of expenditures pursuant to paragraph (1) that is reported complete during the 2017–18 fiscal year shall be audited as part of that local educational agency's audit for the 2018–19 fiscal year. All other completed projects shall be audited as part of the local educational agency's audit for the fiscal year in which the project is reported complete.

(b) (1) Commencing with audits of the 2018–19 fiscal year, the Controller shall include instructions in the audit guide required by Section 14502.1 that include, but are not necessarily limited to, procedures for determining all of the following:

(A) Whether funds identified by a local educational agency on its detailed list of expenditures pursuant to paragraph (1) of subdivision (a) have been expended in accordance with the requirements of the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1), associated regulations, and any accompanying grant agreement signed by a local educational agency.

(B) That savings achieved, including interest, pursuant to Section 17070.63, are used for other high priority capital outlay purposes identified by the local educational agency, and in accordance with the requirements of the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1), associated regulations, and as specified in any accompanying grant agreement.

(C) Adjustments to the grant amounts received by a local educational agency for site acquisition costs based upon the local educational agency's final approved expenditures as required pursuant to Sections 1859.105 and 1859.106 of Title 2 of the California Code of Regulations, as those sections read on July 1, 2017.

(D) If there are any unspent funds associated with the completion of a Charter School Facilities Program project that must be returned to the Office of Public School Construction as required pursuant to Section 1859.169.1 of Title 2 of the California Code of Regulations, as that section read on July 1, 2017.

(E) If there are any unspent funds associated with the completion of a Career Technical Education Facilities Program project that must be returned to the Office of Public School Construction as required pursuant to Section 1859.199 of Title 2 of the California Code of Regulations, as that section read on July 1, 2017.

(F) If there are any unspent funds associated with the completion of a project, where the local educational agency received hardship funding as described in Sections 1859.81, 1859.81.1, 1859.81.2, and 1859.81.3 of Title 2 of the California Code of Regulations, that must either be returned to the Office of Public School Construction or expended consistent with the requirements pursuant to Section 1859.103 of Title 2 of the California Code of Regulations, as that section read on July 1, 2017.

(G) Adjustments to the grant amounts received by a local educational agency associated with the substantial progress requirements reflected in the program reporting requirements pursuant to Section 1859.104 of Title 2 of the California Code of Regulations, as that section read on July 1, 2017.

(2) Any amounts or adjustments identified pursuant to subparagraphs (C) to (G), inclusive, of paragraph (1) shall be identified within a local educational agency's annual audit, but shall not be considered an audit exception for purposes of this section.

(c) (1) The department shall provide the Office of Public School Construction with a copy of the audit identifying the amounts to be adjusted if, as a result of the audit conducted in accordance with the requirements of subdivisions (a) and (b), any of the following is determined:

(A) A local educational agency has unspent funds for the project not identified as savings pursuant to Section 17070.63, which are therefore required to be returned pursuant to subparagraphs (C) to (G), inclusive, of paragraph (1) of subdivision (b), and any accompanying grant agreement signed by a local educational agency.

(B) A local educational agency is subject to an increase or decrease in funds provided pursuant to subparagraphs (C) to (G), inclusive, of paragraph (1) of subdivision (b), and any accompanying grant agreement signed by a local educational agency.

(C) A local educational agency failed to expend funds in accordance with the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1) and any accompanying grant agreement signed by a local educational agency.

(2) Upon receipt of the audit, the Office of Public School Construction shall present any grant adjustments required pursuant to subparagraphs (A) and (B) of paragraph (1) for a specified project to the State Allocation Board for an adjustment to the project apportionment. Funds identified for purposes of subparagraphs (A) and (B) of paragraph (1) shall be apportioned from, or returned to, the appropriate funds, as established in the State Treasury pursuant to Section 17070.40 or 17070.41, as applicable. If a school district is required to return unspent funds, the fund source for returned funds shall be the county school facilities fund identified in subdivision (a) of Section 17070.43.

(3) The auditor conducting the audit pursuant to this section shall notify the department of any audit exceptions identified pursuant to this section and any amounts or adjustments identified pursuant to subparagraph (C) of paragraph (1) consistent with the notification requirements established in subdivision (l) of Section 41020.

(4) A local educational agency may appeal the finding pursuant to the timelines and process established in subdivision (d) of Section 41344. The procedures set out in subdivision (d) of Section 41344.1 do not apply to the audit required by this section.

(5) The department shall ensure that the local educational agency has corrected the audit exception by implementing a required penalty payment of funds equal to the amount of funds disallowed in the audit exception pursuant to the process specified in subdivision (d).

(d) (1) If, as the result of the audit, a local educational agency is required to pay funds pursuant to subparagraph (C) of paragraph (1) of subdivision (c), the department shall recover the funds from the local educational agency.

(2) If the local educational agency has submitted an appeal to the Education Audit Appeals Panel pursuant to subdivision (d) of Section 41344, the department shall not recover funds until following the determination of the appeal.

(3) A local educational agency may use any local fund source to pay the disallowed or penalty amount pursuant to subparagraph (C) of paragraph (1) of subdivision (c) so long as there is no legal prohibition regarding the use of those funds for this purpose.

(4) A local educational agency may request from the department a repayment plan within 90 days of receiving the final audit report, or within 30 days of withdrawing or receiving a final determination regarding an appeal pursuant to subdivision (d) of Section 41344 and subdivision (b) of Section 41344.1, as applicable. The department and the Director of Finance,

or their designees, jointly shall establish a plan for payment. The payment plan shall be established in accordance with the following:

(A) If the department and the Director of Finance, in consultation with the Executive Officer of the Office of Public School Construction, concur that payment of the penalty in the current fiscal year would constitute a severe financial hardship for the local educational agency, they may jointly approve a plan of equal annual payments over a period of up to eight years. The plan may include interest on each year's outstanding balance at the rate earned on the state's Pooled Money Investment Account during that year. The department and the Director of Finance jointly shall establish this plan. At the time the local educational agency is notified, the Controller also shall be notified of the plan by the department. The Controller shall withhold the annual amount established pursuant to the plan from the local educational agency's principal apportionment or Education Protection Account payments.

(B) Notwithstanding subparagraph (A), if the department and the Director of Finance, in consultation with the Executive Officer of the Office of Public School Construction, concur that payment of the penalty over an eight-year period would require the local educational agency to request an emergency apportionment pursuant to the provisions of Article 2 (commencing with Section 41320) of, and Article 2.5 (commencing with Section 41325) of, Chapter 3, they may approve a plan of equal annual payments over a period of up to 20 years. The plan shall include interest on each year's outstanding balance at the rate earned on the state's Pooled Money Investment Account during that year. The Controller shall withhold the annual amount established pursuant to the plan from the local educational agency's principal apportionment or Education Protection Account payments.

(C) If a payment plan submitted pursuant to this section is not approved by the department and the Director of Finance, in consultation with the Executive Officer of the Office of Public School Construction, or is not requested by the local educational agency, the department shall invoice the local educational agency for the entire disallowed amount. If the local educational agency does not remit payment for the invoice within 120 days of issuance, the department shall request that the Controller withhold the entire disallowed amount from the local educational agency's principal apportionment or Education Protection Account payments.

(D) (i) Funds recovered by the department or withheld by the Controller pursuant to this section shall be deposited into the appropriate state school facilities fund, as established in the State Treasury pursuant to Section 17070.40 or 17070.41, as applicable.

(ii) Funds remitted to the Office of Public School Construction by a local educational agency from local fund sources, as authorized by paragraph (3), shall be deposited into the appropriate state school facilities fund, as established in the State Treasury pursuant to Section 17070.40 or 17070.41, as applicable.

(e) As used in this section, "audit or review" and "local educational agency" shall have the same meaning as the terms are defined in paragraphs (1) and (2) of subdivision (e) of Section 41344.

(f) The State Allocation Board shall not waive all or any part of this section, any grant agreement or provisions of a grant agreement signed by a local educational agency that receives any funds pursuant to the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1), or any regulation adopted that implements a provision of this section.

(g) In any appeal filed pursuant to Section 41344 and this section, the Office of Public School Construction, the Department of Finance, and the department may timely move to intervene as a party.

(h) If the Office of Public School Construction chooses not to intervene in an appeal, the administrative law judge conducting the hearing, or the Education Audit Appeals Panel, may request that the Office of Public School Construction issue and file in the appeal an objective interpretation of any applicable law, regulation, or term of the grant agreement within 30 days of the request or such longer period as the administrative law judge or the Education Audit Appeals Panel deems reasonable. The Office of Public School Construction's filing shall not argue or seek to resolve issues of fact, but may state how a particular law, regulation, or grant agreement term applies to competing factual contentions. The agent of the Office of Public School Construction shall be precluded from acting as a party once a request pursuant to this subdivision is made.

(i) Notwithstanding subdivision (a), this section shall not apply to any school facilities project that was apportioned before July 1, 2017.

SEC. 23. Section 41203.1 of the Education Code is amended to read:

41203.1. (a) For the 1990–91 fiscal year and each fiscal year thereafter, allocations calculated pursuant to Section 41203 shall be distributed in accordance with calculations provided in this section. Notwithstanding Section 41203, and for purposes of this section, school districts, community college districts, and direct elementary and secondary level instructional services provided by the State of California shall be regarded as separate segments of public education, and each of these three segments of public education shall be entitled to receive respective shares of the amount calculated pursuant to Section 41203 as though the calculation made pursuant to subdivision (b) of Section 8 of Article XVI of the California Constitution were to be applied separately to each segment and the base year for purposes of this calculation under paragraph (1) of subdivision (b) of Section 8 of Article XVI of the California Constitution were based on the 1989–90 fiscal year. Calculations made pursuant to this subdivision shall be made so that each segment of public education is entitled to the greater of the amounts calculated for that segment pursuant to paragraph (1) or (2) of subdivision (b) of Section 8 of Article XVI of the California Constitution.

(b) If the single calculation made pursuant to Section 41203 yields a guaranteed amount of funding that is less than the sum of the amounts calculated pursuant to subdivision (a), the amount calculated pursuant to Section 41203 shall be prorated for the three segments of public education.

(c) Notwithstanding any other law, this section does not apply to the 1992–93 to the 2017–18 fiscal years, inclusive.

SEC. 24. Section 41203.5 of the Education Code is amended to read:

41203.5. (a) In any fiscal year in which the amount of the moneys that are required to be applied by the state for the support of school districts and community college districts is determined under paragraph (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution, a supplemental appropriation shall be made from the General Fund for the support of those entities in that sum by which the amount determined under that paragraph is exceeded by the amount computed under subdivision (b) of this section.

(b) The amount of General Fund revenues required to assure that the rate of growth in total allocations per unit of average daily attendance to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B of the California Constitution, excluding any revenues allocated pursuant to subdivision (a) of Section 8.5 of Article XVI of the California Constitution, and allocated local proceeds of taxes is not less than the rate of growth in per capita appropriations for all other programs and services from General Fund proceeds of taxes appropriated pursuant to Article XIII B of the California Constitution, excluding any revenues allocated pursuant to subdivision (a) of Section 8.5 of Article XVI of the California Constitution.

(c) In no event shall the total amount appropriated in any fiscal year pursuant to this section and paragraph (3) of subdivision (b) of Section 8 of Article XVI of the California Constitution exceed the amount that would have been computed pursuant to paragraph (2) of subdivision (b) of Section 8 of Article XVI of the California Constitution.

(d) Notwithstanding any other law, this section does not apply to the 2016–17 fiscal year to the 2020–21 fiscal year, inclusive.

SEC. 25. Section 41207.43 is added to the Education Code, to read:

41207.43. (a) (1) The sum of eighty-nine million six hundred thirty-seven thousand dollars (\$89,637,000) is hereby appropriated in the 2017–18 fiscal year from the General Fund to the Controller for allocation to school districts and community college districts for the purpose of reducing the 2009–10 fiscal year outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution.

(2) The amount appropriated pursuant to this subdivision shall be allocated to school districts and community college districts, as described in subdivision (a) of Section 41203.1, in accordance with the following:

(A) Eighty-six million three hundred twenty thousand dollars (\$86,320,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community college districts for support of the California Community College Guided Pathways Grant Program pursuant to Part 54.81 (commencing with Section 88920) of Division 7 of Title 3.

(B) Three million three hundred seventeen thousand dollars (\$3,317,000) for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for the Career Technical Education Incentive Grant Program pursuant to Section 53070.

(b) For purposes of Section 8 of Article XVI of the California Constitution, the amounts appropriated and allocated pursuant to this section shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2009–10 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

SEC. 26. Section 41207.44 is added to the Education Code, to read:

41207.44. If the Superintendent and the Director of Finance jointly determine that, for the 2016–17 fiscal year, the state has applied moneys for the support of school districts and community college districts in an amount that exceeds the minimum amount required for the 2016–17 fiscal year pursuant to Section 8 of Article XVI of the California Constitution, the excess, up to five hundred thirteen million six hundred forty-three thousand dollars (\$513,643,000) shall be deemed, as of June 30, 2017, a payment in satisfaction of the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2009–10 fiscal year.

SEC. 27. Section 46160 of the Education Code is amended to read:

46160. (a) (1) Notwithstanding any other law, the governing board of a school district that maintains a junior high school or high school may schedule classes in these schools so that each pupil attends classes for at least 1,200 minutes during any five-school day period or 2,400 minutes during any 10-school day period.

(2) Notwithstanding any other law, the governing board of a school district that maintains an early college high school or middle college high school may schedule classes in these schools so that each pupil who satisfies subdivision (a) or (b) of Section 46146.5 attends classes for at least 900 minutes during any five-school day period or 1,800 minutes during any 10-school day period.

(b) Under a schedule pursuant to subdivision (a), any pupil may be authorized to attend school for less than the total number of days in which the school is in session as long as the pupil attends the required number of minutes per five-school day period or per 10-school day period to accommodate career technical education and regional occupational center and program courses and block or other alternative school class schedules.

(c) Computations authorized by this section shall not result in an increase in state apportionments to a school district.

SEC. 28. Section 47607.3 of the Education Code is amended to read:

47607.3. (a) If a charter school fails to improve outcomes for three or more pupil subgroups identified pursuant to Section 52052, or, if the charter school has less than three pupil subgroups, all of the charter school's pupil subgroups, in regard to one or more state or school priority identified in the charter pursuant to subparagraph (A) of paragraph (5) of subdivision (b) of Section 47605 or subparagraph (A) of paragraph (5) of subdivision (b) of

Section 47605.6, in three out of four consecutive school years, all of the following shall apply:

(1) Using an evaluation rubric adopted by the state board pursuant to Section 52064.5, the chartering authority shall provide technical assistance to the charter school.

(2) At the request of the chartering authority, the California Collaborative for Educational Excellence may, after consulting with the Superintendent, and with the approval of the state board, provide advice and assistance to the charter school pursuant to Section 52074.

(b) A chartering authority shall consider for revocation any charter school to which the California Collaborative for Educational Excellence has provided advice and assistance pursuant to subdivision (a) and about which it has made either of the following findings, which shall be submitted to the chartering authority:

(1) That the charter school has failed, or is unable, to implement the recommendations of the California Collaborative for Educational Excellence.

(2) That the inadequate performance of the charter school, based upon an evaluation rubric adopted pursuant to Section 52064.5, is either so persistent or so acute as to require revocation of the charter.

(c) The chartering authority shall consider increases in pupil academic achievement for all pupil subgroups served by the charter school as the most important factor in determining whether to revoke the charter.

(d) A chartering authority shall comply with the hearing process described in subdivision (e) of Section 47607 in revoking a charter. A charter school may not appeal a revocation of a charter made pursuant to this section.

SEC. 29. Section 47614.5 of the Education Code is amended to read:

47614.5. (a) The Charter School Facility Grant Program is hereby established, and shall be administered by the California School Finance Authority. The grant program is intended to provide assistance with facilities rent and lease costs for pupils in charter schools.

(b) (1) Commencing with the 2017–18 fiscal year, and subject to available funding in the annual Budget Act, eligible charter schools shall receive an amount equivalent to one of the following, whichever is less:

(A) Seventy-five percent of annual facilities rent and lease costs for the charter school.

(B) For the 2017–18 fiscal year, an amount equal to one thousand one hundred seventeen dollars (\$1,117) per unit of average daily attendance, as certified at the second principal apportionment. Commencing with the 2018–19 fiscal year, the amount of funding provided per unit of average daily attendance in the preceding fiscal year, as adjusted by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of

the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

(b) In any fiscal year, if the funds appropriated for purposes of this section by the annual Budget Act are insufficient to fully fund the approved amounts, the California School Finance Authority shall apportion the available funds on a pro rata basis.

(c) For purposes of this section, the California School Finance Authority shall do all of the following:

(1) Inform charter schools of the grant program.

(2) Upon application by a charter school, determine eligibility, based on the geographic location of the charter schoolsite, pupil eligibility for free or reduced-price meals, and a preference in admissions, as appropriate. Eligibility for funding shall not be limited to the grade level or levels served by the school whose attendance area is used to determine eligibility. A charter schoolsite is eligible for funding pursuant to this section if the charter schoolsite meets either of the following conditions:

(A) The charter schoolsite is physically located in the attendance area of a public elementary school in which 55 percent or more of the pupil enrollment is eligible for free or reduced-price meals and the charter schoolsite gives a preference in admissions to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the charter schoolsite is located.

(B) Fifty-five percent or more of the pupil enrollment at the charter schoolsite is eligible for free or reduced-price meals.

(3) Inform charter schools of their grant eligibility.

(4) Make apportionments to a charter school for eligible expenditures according to the following schedule:

(A) An initial apportionment by August 31 of each fiscal year or 30 days after enactment of the annual Budget Act, whichever is later, provided the charter school has submitted a timely application for funding, as determined by the California School Finance Authority. The initial apportionment shall be 50 percent of the charter school's estimated annual entitlement as determined by this section.

(B) A second apportionment by March 1 of each fiscal year. This apportionment shall be 75 percent of the charter school's estimated annual entitlement, as adjusted for any revisions in cost, enrollment, and other data relevant to computing the charter school's annual entitlement, less any funding already apportioned to the charter school.

(C) A third apportionment within 30 days of the end of each fiscal year or 30 days after receiving the data and documentation needed to compute the charter school's total annual entitlement, whichever is later. This apportionment shall be the charter school's total annual entitlement less any funding already apportioned to the charter school.

(D) Notwithstanding subparagraph (A), the initial apportionment in the 2013–14 fiscal year shall be made by October 15, 2013, or 105 days after enactment of the Budget Act of 2013, whichever is later.

(d) For purposes of this section:

(1) The California School Finance Authority shall use prior year data on pupil eligibility for free or reduced-price meals to determine eligibility pursuant to paragraph (2) of subdivision (c). A new charter school that was not operational in the prior year shall be eligible in the current year if it meets the free or reduced-price meal eligibility requirements specified in paragraph (2) of subdivision (c) based on current year data. Prior year rent or lease costs provided by charter schools shall be used to determine eligibility for the grant program until actual rent or lease costs become known or until June 30 of each fiscal year.

(2) If prior year rent or lease costs are unavailable, and the current year lease and rent costs are not immediately available, the California School Finance Authority shall use rent or lease cost estimates provided by the charter school.

(3) The California School Finance Authority shall verify that the grant amount awarded to each charter school is consistent with eligibility requirements as specified in this section and in regulations adopted by the authority. If it is determined by the California School Finance Authority that a charter school did not receive the proper grant award amount, either the charter school shall transfer funds back to the authority as necessary within 60 days of being notified by the authority, or the authority shall provide an additional apportionment as necessary to the charter school within 60 days of notifying the charter school, subject to the availability of funds.

(e) Funds appropriated for purposes of this section shall not be apportioned for any of the following:

(1) Units of average daily attendance generated through nonclassroom-based instruction as defined by paragraph (2) of subdivision (e) of Section 47612.5 or that does not comply with conditions or limitations set forth in regulations adopted by the state board pursuant to this section.

(2) Charter schools occupying existing school district or county office of education facilities, except that charter schools shall be eligible for the portions of their facilities that are not existing school district or county office of education facilities.

(3) Charter schools receiving reasonably equivalent facilities from their chartering authorities pursuant to Section 47614, except that charter schools shall be eligible for the portions of their facilities that are not reasonably equivalent facilities received from their chartering authorities.

(f) Funds appropriated for purposes of this section shall be used for costs associated with facilities rents and leases, consistent with the definitions used in the California School Accounting Manual or regulations adopted by the California School Finance Authority. These funds also may be used for costs, including, but not limited to, costs associated with remodeling buildings, deferred maintenance, initially installing or extending service systems and other built-in equipment, and improving sites.

(g) If an existing charter school located in an elementary attendance area in which less than 50 percent of pupil enrollment is eligible for free or reduced-price meals relocates to an attendance area identified in paragraph

(2) of subdivision (c), admissions preference shall be given to pupils who reside in the elementary school attendance area into which the charter school is relocating.

(h) The California School Finance Authority annually shall report to the department and the Director of Finance, and post information on its Internet Web site, regarding the use of funds that have been made available during the fiscal year to each charter school pursuant to the grant program.

(i) The California School Finance Authority shall annually allocate the facilities grants to eligible charter schools according to the schedule in paragraph (4) of subdivision (c) for the current school year rent and lease costs. However, the California School Finance Authority shall first use the funding appropriated for this program to reimburse eligible charter schools for unreimbursed rent or lease costs for the prior school year.

(j) It is the intent of the Legislature that the funding level for the Charter School Facility Grant Program for the 2012–13 fiscal year be considered the base level of funding for subsequent fiscal years.

(k) The Controller shall include instructions appropriate to the enforcement of this section in the audit guide required by subdivision (a) of Section 14502.1.

(l) The California School Finance Authority, effective with the 2013–14 fiscal year, shall be considered the senior creditor for purposes of satisfying audit findings pursuant to the audit instructions to be developed pursuant to subdivision (k).

(m) The California School Finance Authority may adopt regulations to implement this section. Any regulations adopted pursuant to this section may be adopted as emergency regulations in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Title 2 of the Government Code). The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare.

(n) Notwithstanding any other law, a charter school shall be subject, with regard to this section, to audit conducted pursuant to Section 41020.

SEC. 30. Section 47635 of the Education Code is amended to read:

47635. (a) A sponsoring local educational agency shall annually transfer to each of its charter schools funding in lieu of property taxes equal to the lesser of the following two amounts:

(1) The average amount of property taxes per unit of average daily attendance, including average daily attendance attributable to charter schools, received by the local educational agency, multiplied by the charter school's average daily attendance.

(2) The local control funding formula grant funding computed pursuant to subdivision (d) of Section 42238.02, per unit of average daily attendance, multiplied by the charter school's average daily attendance in each of the four corresponding grade level ranges: kindergarten and grades 1, 2, and 3; grades 4, 5, and 6; grades 7 and 8; and grades 9 to 12, inclusive.

(3) Notwithstanding paragraph (2), until the Superintendent determines that a charter school is funded pursuant to Section 42238.02 in the prior fiscal year, the Superintendent shall apportion funding per unit of average daily attendance pursuant to this article. The base grant for purposes of paragraph (2) shall be the lesser of the amount calculated pursuant to paragraph (2) or the sum of the entitlements for the charter school in the specified fiscal year as computed pursuant to paragraphs (1) to (4), inclusive, of subdivision (a), and paragraph (3) of subdivision (b), of Section 42238.03, multiplied by the ratio of local control funding formula base grant funding computed pursuant to subdivision (d) of Section 42238.02 to the local control funding formula amount for the fiscal year computed pursuant to Section 42238.02.

(4) If the sum of the funding transferred pursuant to this subdivision and the funding calculated pursuant to subdivision (e) of Section 42238.03 exceeds the sum of the amounts calculated pursuant to subdivisions (a) and (b) of Section 42238.03, the excess funding shall be used to offset funding calculated pursuant to subdivision (e) of Section 42238.03.

(b) The sponsoring local educational agency shall transfer funding in lieu of property taxes to the charter school in monthly installments, by no later than the 15th of each month.

(1) For the months of August to February, inclusive, a charter school's funding in lieu of property taxes shall be computed based on the amount of property taxes received by the sponsoring local educational agency during the preceding fiscal year, as reported to the Superintendent for purposes of the second principal apportionment. A sponsoring local educational agency shall transfer to the charter school the charter school's estimated annual entitlement to funding in lieu of property taxes as follows:

(A) Six percent in August.

(B) Twelve percent in September.

(C) Eight percent each month in October, November, December, January, and February.

(2) For the months of March to June, inclusive, a charter school's funding in lieu of property taxes shall be computed based on the amount of property taxes estimated to be received by the sponsoring local educational agency during the fiscal year, as reported to the Superintendent for purposes of the first principal apportionment. A sponsoring local educational agency shall transfer to each of its charter schools an amount equal to one-sixth of the difference between the school's estimated annual entitlement to funding in lieu of property taxes and the amounts provided pursuant to paragraph (1). An additional one-sixth of this difference shall be included in the amount transferred in the month of March.

(3) For the month of July, a charter school's funding in lieu of property taxes shall be computed based on the amount of property taxes estimated to be received by the sponsoring local educational agency during the prior fiscal year, as reported to the Superintendent for purposes of the second principal apportionment. A sponsoring local educational agency shall transfer to each of its charter schools an amount equal to the remaining difference

between the school's estimated annual entitlement to funding in lieu of property taxes and the amounts provided pursuant to paragraphs (1) and (2).

(4) Final adjustments to the amount of funding in lieu of property taxes allocated to a charter school shall be made in June, in conjunction with the third recertification of annual apportionments to schools.

(5) Subdivision (a) and paragraphs (1) to (4), inclusive, do not apply for pupils who reside in, and are otherwise eligible to attend a school in, a basic aid school district, but who attend a charter school in a nonbasic aid school district. With regard to these pupils, the sponsoring basic aid school district shall transfer to the charter school an amount of funds equivalent to the local control funding formula grant pursuant to Section 42238.02, as implemented by Section 42238.03, earned through average daily attendance by the charter school for each pupil's attendance, not to exceed the average property tax share per unit of average daily attendance for pupils residing and attending in the basic aid school district. The transfer of funds shall be made in not fewer than two installments at the request of the charter school, the first occurring not later than February 1 and the second not later than June 1 of each school year. Payments shall reflect the average daily attendance certified for the time periods of the first and second principal apportionments, respectively. The Superintendent may not apportion any funds for the attendance of pupils described in this subdivision unless the amount transferred by the basic aid school district is less than the local control funding formula grant pursuant to Section 42238.02, as implemented by Section 42238.03, earned by the charter school, in which event the Superintendent shall apportion the difference to the charter school from state funds.

SEC. 31. Section 47662 of the Education Code is amended to read:

47662. For purposes of Section 42238.02, as implemented by Section 42238.03, the property tax revenues received by a sponsoring local educational agency pursuant to Chapter 3.5 (commencing with Section 75) and Chapter 6 (commencing with Section 95) of Part 0.5 of the Revenue and Taxation Code shall be reduced by the amount of funding in lieu of property taxes allocated to a charter school or schools pursuant to Section 47635.

SEC. 32. Section 48301 of the Education Code is amended to read:

48301. (a) (1) The governing board of a school district may elect to operate the school district as a school district of choice and may accept transfers from school districts of residence pursuant to this article. If the governing board of a school district elects to accept transfers as authorized under this article, it shall, by resolution, determine and adopt the number of transfers it is willing to accept under this article and shall accept all pupils who apply to transfer until the school district is at maximum capacity. The school district of choice shall ensure that pupils admitted under this article are selected through an unbiased process that prohibits an inquiry into or evaluation or consideration of whether or not a pupil should be enrolled based upon his or her academic or athletic performance, physical condition,

proficiency in English, any of the individual characteristics set forth in Section 200, and, except for purposes of determining priority for pupils eligible for free or reduced-price meals pursuant to Section 48306, family income.

(2) If the number of transfer applications exceeds the number of transfers the governing board of a school district of choice elects to accept under this article, approval for transfer pursuant to this article shall be determined by a random drawing held in public at a regularly scheduled meeting of the governing board of the school district of choice.

(b) Communications to parents by school districts of choice shall be factually accurate and not target individual parents or residential neighborhoods on the basis of a pupil or pupils' actual or perceived academic or athletic skill or other personal characteristic.

(c) A school district of choice, with respect to compliance with subdivisions (a) and (b), shall be subject to the audit conducted pursuant to Section 41020.

(d) A school district of choice shall post application information on its Internet Web site. This information shall include, at a minimum, any applicable form and the timeline for a transfer pursuant to this article. This information also shall include an explanation of the selection process the school district of choice implements pursuant to subdivision (a).

(e) A pupil attending a school in a school district of choice shall be deemed to have fulfilled the requirements of Section 48204.

(f) All communication from a school district of choice regarding the transfer opportunities under the program shall be available in all languages for which translations are required in the school district of residence pursuant to Section 48985.

(g) On or before July 1, 2018, a school district of choice shall register as a school district of choice with both the Superintendent in a manner specified by the Superintendent and the county board of education where the school district of choice is located.

(h) Commencing with the 2018–19 school year, a school district of choice shall not enroll pupils under this article until the school district has registered pursuant to subdivision (g).

SEC. 33. Section 48302 of the Education Code is amended to read:

48302. School districts are encouraged to hold informational meetings and make public announcements on the current educational programs the school district is offering so that parents may provide input to the school district on methods to improve the current programs and so that parents may make informed decisions regarding their children's education.

SEC. 34. Section 48306 of the Education Code is amended to read:

48306. (a) A school district of choice shall give first priority for attendance to siblings of children already in attendance in that district.

(b) A school district of choice shall give second priority for attendance to pupils eligible for free or reduced-price meals.

(c) A school district of choice shall give third priority for attendance to children of military personnel.

SEC. 35. Section 48307 of the Education Code is amended to read:

48307. (a) A school district of residence with an average daily attendance greater than 50,000 may limit the number of pupils transferring out each year to 1 percent of its current year estimated average daily attendance.

(b) A school district of residence with an average daily attendance of 50,000 or less may limit the number of pupils transferring out to 3 percent of its current year estimated average daily attendance and may limit the maximum number of pupils transferring out for the duration of the program authorized by this article to 10 percent of the average daily attendance for that period.

(c) A school district of residence that has a negative status on the most recent budget certification completed by the county superintendent of schools in any fiscal year may limit the number of pupils who transfer out of the district in that fiscal year.

(d) Notwithstanding any prior or existing certification of a school district of residence pursuant to Article 3 (commencing with Section 42130) of Chapter 6 of Part 24, if a county superintendent of schools determines that a school district of residence would not meet the standards and criteria for fiscal stability specified in Section 42131 for the subsequent fiscal year exclusively due to the impact of additional pupil transfers pursuant to this article in that year, the school district of residence may limit the number of additional pupils who transfer in the upcoming school year pursuant to this article up to the number that the county superintendent of schools identifies beyond which number of additional transfers would result in a qualified or negative certification in that year exclusively as a result of additional transfers pursuant to this article.

(e) A school district of residence, upon receiving notification of a pupil's acceptance into the school district of choice, may prohibit the transfer of a pupil under this article or limit the number of pupils so transferred if the governing board of the school district of residence determines that the transfer would negatively impact any of the following:

(1) The court-ordered desegregation plan of the school district of residence.

(2) The voluntary desegregation plan of the school district of residence, consistent with the provisions of Proposition 209, an initiative measure adopted by the voters at the November 5, 1996, General Election.

(3) The racial and ethnic balance of the school district of residence, consistent with the provisions of Proposition 209, an initiative measure adopted by the voters at the November 5, 1996, General Election.

(f) Notwithstanding any other provision of this article, a school district of residence shall not prohibit the transfer of a pupil who is a child of an active military duty parent.

(g) A school district of residence shall not adopt policies that in any way block or discourage pupils from applying for transfer to a school district of choice.

(h) Notwithstanding any other provision of this article, a pupil attending a school district of choice or a pupil who received a notice of acceptance

into a school district of choice before a resolution by the school district of residence to restrict further transfers pursuant to subdivision (d) of Section 48308 shall be permitted to attend the school district of choice.

SEC. 36. Section 48308 of the Education Code is amended to read:

48308. (a) (1) An application requesting a transfer pursuant to this article shall be submitted by the parent of a pupil to the school district of choice before January 1 of the school year preceding the school year for which the pupil is requesting to be transferred. This application deadline may be waived upon agreement of the school district of residence of the pupil and the school district of choice.

(2) The application deadline specified in paragraph (1) does not apply to an application requesting a transfer if the parent of the pupil with whom the pupil resides is enlisted in the military and was relocated by the military less than 90 days before submitting the application.

(b) The application may be submitted on a form provided for this purpose by the department and may request enrollment of the pupil in a specific school or program of the school district of choice.

(c) (1) No later than February 15 of the school year preceding the school year for which the pupil is requesting to be transferred, the governing board of the school district of choice shall notify the parent in writing whether the application has been provisionally accepted or rejected or of the placement of the pupil on a waiting list. The governing board of the school district of choice may fill vacancies from the waiting list until May 1 preceding the school year for which the pupil is requesting to be transferred. No pupils shall be accepted at a school district of choice after May 1 preceding the school year for which the pupil is requesting to be transferred.

(2) If the application is rejected, the governing board of the school district of choice shall include in the written notification to the parent that the number of pupils applying to transfer exceeded the capacity of the school district of choice and that the pupil was not selected during the random drawing. The determination shall be accurately recorded in the minutes of the board meeting in which the determination was made.

(3) If a pupil is accepted into a school district of choice, the school district of choice shall notify the school district of residence of the pupil no later than February 15 of the school year preceding the school year for which the pupil is requesting to be transferred. On or before February 15, the school district of choice shall provide the school district of residence the number of pupils accepted, by school and grade level, by the school district of choice. On or before May 2, the school district of choice shall provide the school district of residence with the final number of pupils enrolled, by school, in the school district of choice, the grade levels of the pupils, and the names of the pupils.

(4) (A) Notwithstanding paragraph (1), the governing board of a school district of choice shall, not later than 90 days after receipt of an application submitted according to paragraph (2) of subdivision (a), make a final acceptance or rejection of that application. A pupil may enroll in a school in the school district of choice immediately upon his or her acceptance.

(B) If an application submitted according to paragraph (2) of subdivision (a) is submitted less than 90 days before the beginning of the school year for which the pupil seeks to be transferred, the governing board of the school district of choice shall accept or deny the application before the commencement of the school year. A pupil may enroll in a school in the school district of choice immediately upon his or her acceptance.

(d) Final acceptance of the transfer is applicable for one school year and will be renewed automatically each year unless the school district of choice through the adoption of a resolution elects to no longer accept any transfer pupils pursuant to this article. However, if a school district of choice elects to no longer accept pupils under this article, high school pupils admitted under this article may continue to attend the same school in the school district of choice until they graduate from high school.

SEC. 37. Section 48310 of the Education Code is amended to read:

48310. (a) The average daily attendance for pupils admitted by a school district of choice pursuant to this article shall be credited to that school district pursuant to Section 46607. The attendance report for the school district of choice may include an identification of the school district of residence.

(b) Notwithstanding any other law, state aid for categorical education programs for pupils admitted under this article shall be apportioned to the school district of choice.

(c) (1) For a school district of choice that is a basic aid school district, the apportionment of state funds for average daily attendance credited pursuant to this section shall be 25 percent of the school district local control funding formula base grant computed pursuant to subdivision (d) of Section 42238.02, as implemented by Section 42238.03, that would have been apportioned to the school district of residence.

(2) Notwithstanding paragraph (1), until the Superintendent determines that the school district of residence is funded pursuant to Section 42238.02 in the prior fiscal year, the Superintendent shall apportion, for average daily attendance pursuant to this article, the lesser of the amount calculated pursuant to paragraph (1) or 25 percent of the sum of the entitlements for the school district of residence for the specified fiscal year as computed pursuant to paragraphs (1) to (4), inclusive, of subdivision (a), and paragraph (3) of subdivision (b), of Section 42238.03, divided by the average daily attendance pursuant to this article for that fiscal year and then multiplied by the ratio of local control funding formula base grant funding computed pursuant to subdivision (d) of Section 42238.02 to the local control funding formula amount for the fiscal year computed pursuant to Section 42238.02.

(3) If the entitlements for the school district of residence computed pursuant to paragraphs (1) to (4), inclusive, of subdivision (a), and paragraph (3) of subdivision (b), of Section 42238.03, include funding calculated pursuant to Article 4 (commencing with Section 42280) of Chapter 7 of Part 24 of Division 3 for a fiscal year, paragraph (2) shall not apply and the apportionment of state funds for the average daily attendance credited

pursuant to this section for that fiscal year shall be calculated pursuant to paragraph (1).

(4) For purposes of this subdivision, the term “basic aid school district” means a school district that does not receive from the state, for a fiscal year in which this subdivision is applied, an apportionment of state funds as described in subdivision (o) of Section 42238.02.

(d) The average daily attendance of pupils admitted by a school district of choice pursuant to this article shall be credited to that school district for purposes of any determination under Article 2 (commencing with Section 17010) of Chapter 12 of Part 10 of Division 1 of Title 1 that uses an average daily attendance calculation.

SEC. 38. Section 48311 of the Education Code is amended to read:

48311. Upon request of the pupil’s parent, each school district of choice that admits a pupil under this article to any school or program of the school district may provide to the pupil transportation assistance to that school or program, to the extent that the school district otherwise provides transportation assistance to pupils.

SEC. 39. Section 48312 of the Education Code is amended to read:

48312. (a) Each school district may make information regarding its schools, programs, policies, and procedures available to any interested person upon request.

(b) A school district of choice shall make public announcements regarding its schools, programs, policies, and procedures, including transportation options pursuant to Section 48311, if applicable, during the enrollment period.

SEC. 40. Section 48313 of the Education Code is amended to read:

48313. (a) (1) Pursuant to this article, each school district of choice shall keep an accounting of all requests made for transfers pursuant to this article and records of all disposition of those requests that shall include, but are not limited to, all of the following:

(A) The number of requests granted, denied, or withdrawn. In the case of denied requests, the records shall indicate the reasons for the denials.

(B) The number of pupils transferred out of the school district of choice pursuant to this article.

(C) The number of pupils transferred into the school district of choice pursuant to this article.

(D) The race, ethnicity, gender, self-reported socioeconomic status, eligibility for free or reduced-price meals, and the school district of residence of each of the pupils described in subparagraphs (B) and (C).

(E) The number of pupils described in subparagraphs (B) and (C) who are classified as English learners or identified as individuals with exceptional needs, as defined in Section 56026.

(2) If the school district of choice provides transportation to pupils pursuant to Section 48311, the school district of choice shall keep an accounting of the number of pupils as described in subparagraphs (D) and (E) of paragraph (1) transported pursuant to Section 48311 and the total number of pupils transported under this article.

(b) The information maintained pursuant to subdivision (a) shall be reported to the governing board of the school district of choice at a regularly scheduled meeting of the governing board of the school district of choice. No later than October 15 of each year, the school district of choice shall report the information maintained pursuant to subdivision (a) for the current school year in addition to information regarding the school district's status as a school district of choice for the upcoming school year to each school district that is geographically adjacent to the school district of choice, the county office of education in which the school district of choice is located, and, in a manner specified by the Superintendent, the Superintendent.

(c) A school district of choice shall not enroll a pupil under this article if the school district does not report all the data required pursuant to subdivision (b).

(d) The Superintendent shall do all of the following:

(1) Maintain a list of the school districts of choice in the state.

(2) Collect the information specified in subdivision (a) from each school district of choice. The Superintendent shall ensure school districts of choice provide this information in a complete format and shall not create a new field in the California Longitudinal Pupil Achievement Data System for this purpose. The Superintendent may provide a template for school districts of choice to use and may issue guidance regarding the procedures for collecting and reporting data.

(3) Post the information collected under paragraphs (1) and (2) on the department's Internet Web site. The Superintendent shall make this information available upon request to any school district.

(4) Post a single list of all school choice programs, including, but not limited to, school districts of choice, on the department's Internet Web site.

(e) No later than December 1, 2017, the Superintendent shall report to the appropriate fiscal and policy committees of the Legislature, the Department of Finance, and the Legislative Analyst's Office with a description of the plan for collecting the data specified in subdivision (a). It is the intent of the Legislature that the Superintendent collect data in a manner that minimizes the administrative burden on school districts and the state.

(f) The Superintendent annually shall make all of the following information available to the appropriate fiscal and policy committees of the Legislature, the Department of Finance, and the Legislative Analyst's Office:

(1) The number and characteristics of pupils who use the school district of choice option pursuant to this article.

(2) Assessment scores of school districts of choice and school districts of residence pursuant to subdivision (b) of Section 60640.

(3) The graduation rates of school districts of residence and school districts of choice.

(4) The enrollment of school districts of residence and school districts of choice for the previous five years.

(5) The fiscal health of school districts of residence and school districts of choice, including, but not limited to, both of the following:

(A) Increasing or declining enrollment.

(B) Whether a school district received a negative or qualified rating pursuant to Section 42131.

(6) Whether a school district of residence has exceeded the transfer limits specified in Section 48307.

(7) The number of pupils described in subparagraphs (D) and (E) of paragraph (1) of subdivision (a) transported under this article pursuant to Section 48311.

SEC. 41. Section 48314 of the Education Code is amended to read:

48314. It is the intent of the Legislature that every parent in this state be informed of his or her opportunity for currently existing school district of choice options under this article regardless of ethnicity, primary language, literacy, or special needs.

SEC. 42. Section 48315 of the Education Code is amended to read:

48315. This article shall become inoperative on July 1, 2023, and, as of January 1, 2024, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2024, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 43. Section 48316 of the Education Code is amended to read:

48316. The Legislative Analyst shall conduct, after consulting with appropriate legislative staff, a comprehensive evaluation of the interdistrict transfer program established pursuant to this article and prepare recommendations regarding the extension of the program. The evaluation shall incorporate the data described in Section 48313 and shall be completed and submitted, along with the recommendations regarding extension of the program and recommendations for regarding implementation of the program to ensure access to the program for all pupils, to the appropriate education policy committees of the Legislature and to the Department of Finance by January 31, 2021.

SEC. 44. Section 48317 is added to the Education Code, to read:

48317. Commencing with the 2018–19 school year, and each year thereafter, the department shall investigate complaints regarding a school district operating as a school district of choice without registering pursuant to subdivision (g) of Section 48301 and a school district of choice failing to report data required pursuant to subdivision (b) of Section 48313. If the Superintendent finds that a school district is accepting pupils through a school district of choice program and the school district is not registered or the school district fails to report the required data, the Superintendent shall withhold from the school district's apportionment pursuant to Section 42238.02 or 42238.03 an amount attributable to the average daily attendance of pupils enrolled through the school district of choice in the previous year. The Superintendent shall withhold this amount of the school district's apportionment until the school district registers or reports the required data.

SEC. 45. Section 49430.5 of the Education Code is amended to read:

49430.5. (a) The reimbursement a school receives for free and reduced-price meals sold or served to pupils in elementary, middle, or high schools included within a school district, charter school, or county office

of education shall be twenty-three and six one thousandths cents (\$0.2306) per meal, and, for meals served in child care centers and homes, the reimbursement shall be seventeen and seventeen hundredths cents (\$0.1717) per meal.

(b) To qualify for the reimbursement for free and reduced-price meals provided to pupils in elementary, middle, or high schools, a school shall follow the United States Department of Agriculture meal pattern.

(c) The reimbursement rates set forth in this section shall be adjusted annually for increases in cost of living in the same manner set forth in Section 42238.1.

SEC. 46. Section 49533 of the Education Code is amended to read:

49533. (a) A Child Nutrition Advisory Council composed of 13 members shall be appointed by January 1, 1975, to recommend plans and guidelines for school and child care meal service and nutrition education programs. The members of the council shall be appointed by the Superintendent and shall include one member of the department, one school administrator, one school board member, one school food service director, one school food service supervisor or manager, one classroom teacher, one curriculum coordinator, one nutrition education specialist, one layperson, one child care food program sponsor, one secondary high school pupil, one representative from a recognized parent-teacher organization, and one qualified consultant specializing in nutrition, education, child care, or health and welfare.

(b) The members shall serve for a term of three years, except the pupil representative, who shall serve a one-year term. Council members shall serve without pay, but shall be reimbursed for authorized travel costs according to established department procedures.

SEC. 47. Section 52052 of the Education Code is amended to read:

52052. (a) (1) The Superintendent, with the approval of the state board, shall develop an Academic Performance Index (API), to measure the performance of schools and school districts, especially the academic performance of pupils.

(2) A school or school district shall demonstrate comparable improvement in academic achievement as measured by the API by all numerically significant pupil subgroups at the school or school district, including:

- (A) Ethnic subgroups.
- (B) Socioeconomically disadvantaged pupils.
- (C) English learners.
- (D) Pupils with disabilities.
- (E) Foster youth.
- (F) Homeless youth.

(3) (A) For purposes of this section, a numerically significant pupil subgroup is one that consists of at least 30 pupils, each of whom has a valid test score.

(B) Notwithstanding subparagraph (A), for a subgroup of pupils who are foster youth or homeless youth, a numerically significant pupil subgroup is one that consists of at least 15 pupils.

(C) For a school or school district with an API score that is based on no fewer than 11 and no more than 99 pupils with valid test scores, numerically significant pupil subgroups shall be defined by the Superintendent, with approval by the state board.

(4) (A) The API shall consist of a variety of indicators currently reported to the department, including, but not limited to, the results of the achievement test administered pursuant to Section 60640, attendance rates for pupils in elementary schools, middle schools, and secondary schools, and the graduation rates for pupils in secondary schools.

(B) The Superintendent, with the approval of the state board, may also incorporate into the API the rates at which pupils successfully promote from one grade to the next in middle school and high school, and successfully matriculate from middle school to high school.

(C) Graduation rates for pupils in secondary schools shall be calculated for the API as follows:

(i) Four-year graduation rates shall be calculated by taking the number of pupils who graduated on time for the current school year, which is considered to be three school years after the pupils entered grade 9 for the first time, and dividing that number by the total calculated in clause (ii).

(ii) The number of pupils entering grade 9 for the first time in the school year three school years before the current school year, plus the number of pupils who transferred into the class graduating at the end of the current school year between the school year that was three school years before the current school year and the date of graduation, less the number of pupils who transferred out of the school between the school year that was three school years before the current school year and the date of graduation who were members of the class that is graduating at the end of the current school year.

(iii) Five-year graduation rates shall be calculated by taking the number of pupils who graduated on time for the current school year, which is considered to be four school years after the pupils entered grade 9 for the first time, and dividing that number by the total calculated in clause (iv).

(iv) The number of pupils entering grade 9 for the first time in the school year four years before the current school year, plus the number of pupils who transferred into the class graduating at the end of the current school year between the school year that was four school years before the current school year and the date of graduation, less the number of pupils who transferred out of the school between the school year that was four years before the current school year and the date of graduation who were members of the class that is graduating at the end of the current school year.

(v) Six-year graduation rates shall be calculated by taking the number of pupils who graduated on time for the current school year, which is considered to be five school years after the pupils entered grade 9 for the first time, and dividing that number by the total calculated in clause (vi).

(vi) The number of pupils entering grade 9 for the first time in the school year five years before the current school year, plus the number of pupils who transferred into the class graduating at the end of the current school

year between the school year that was five school years before the current school year and the date of graduation, less the number of pupils who transferred out of the school between the school year that was five years before the current school year and the date of graduation who were members of the class that is graduating at the end of the current school year.

(D) The inclusion of five- and six-year graduation rates for pupils in secondary schools shall meet the following requirements:

(i) Schools and school districts shall be granted one-half the credit in their API scores for graduating pupils in five years that they are granted for graduating pupils in four years.

(ii) Schools and school districts shall be granted one-quarter the credit in their API scores for graduating pupils in six years that they are granted for graduating pupils in four years.

(iii) Notwithstanding clauses (i) and (ii), schools and school districts shall be granted full credit in their API scores for graduating in five or six years a pupil with disabilities who graduates in accordance with his or her individualized education program.

(E) The pupil data collected for the API that comes from the achievement test administered pursuant to Section 60640 and the high school exit examination administered pursuant to Section 60851, when fully implemented, shall be disaggregated by special education status, English learners, socioeconomic status, gender, and ethnic group. Only the test scores of pupils who were counted as part of the enrollment in the annual data collection of the California Basic Educational Data System for the current fiscal year and who were continuously enrolled during that year may be included in the test result reports in the API score of the school.

(F) (i) Commencing with the baseline API calculation in 2016, and for each year thereafter, results of the achievement test and other tests specified in subdivision (b) shall constitute no more than 60 percent of the value of the index for secondary schools.

(ii) In addition to the elements required by this paragraph, the Superintendent, with the approval of the state board, may incorporate into the index for secondary schools valid, reliable, and stable measures of pupil preparedness for postsecondary education and career.

(G) Results of the achievement test and other tests specified in subdivision (b) shall constitute at least 60 percent of the value of the index for primary schools and middle schools.

(H) It is the intent of the Legislature that the state's system of public school accountability be more closely aligned with both the public's expectations for public education and the workforce needs of the state's economy. It is therefore necessary that the accountability system evolve beyond its narrow focus on pupil test scores to encompass other valuable information about school performance, including, but not limited to, pupil preparedness for college and career, as well as the high school graduation rates already required by law.

(I) The Superintendent shall annually determine the accuracy of the graduation rate data. Notwithstanding any other law, graduation rates for

pupils in dropout recovery high schools shall not be included in the API. For purposes of this subparagraph, “dropout recovery high school” means a high school in which 50 percent or more of its pupils have been designated as dropouts pursuant to the exit/withdrawal codes developed by the department or left a school and were not otherwise enrolled in a school for a period of at least 180 days.

(J) To complement the API, the Superintendent, with the approval of the state board, may develop and implement a program of school quality review that features locally convened panels to visit schools, observe teachers, interview pupils, and examine pupil work, if an appropriation for this purpose is made in the annual Budget Act.

(K) The Superintendent shall annually provide to local educational agencies and the public a transparent and understandable explanation of the individual components of the API and their relative values within the API.

(L) An additional element chosen by the Superintendent and the state board for inclusion in the API pursuant to this paragraph shall not be incorporated into the API until at least one full school year after the state board’s decision to include the element into the API.

(b) Pupil scores from the following tests, when available and when found to be valid and reliable for this purpose, shall be incorporated into the API:

(1) The standards-based achievement tests provided for in Section 60642.5.

(2) The high school exit examination.

(c) Based on the API, the Superintendent shall develop, and the state board shall adopt, expected annual percentage growth targets for all schools based on their API baseline score from the previous year. Schools are expected to meet these growth targets through effective allocation of available resources. For schools below the statewide API performance target adopted by the state board pursuant to subdivision (d), the minimum annual percentage growth target shall be 5 percent of the difference between the actual API score of a school and the statewide API performance target, or one API point, whichever is greater. Schools at or above the statewide API performance target shall have, as their growth target, maintenance of their API score above the statewide API performance target. However, the state board may set differential growth targets based on grade level of instruction and may set higher growth targets for the lowest performing schools because they have the greatest room for improvement. To meet its growth target, a school shall demonstrate that the annual growth in its API is equal to or more than its schoolwide annual percentage growth target and that all numerically significant pupil subgroups, as defined in subdivision (a), are making comparable improvement.

(d) Upon adoption of state performance standards by the state board, the Superintendent shall recommend, and the state board shall adopt, a statewide API performance target that includes consideration of performance standards and represents the proficiency level required to meet the state performance target.

(e) (1) A school or school district with 11 to 99 pupils with valid test scores shall receive an API score with an asterisk that indicates less statistical certainty than API scores based on 100 or more test scores.

(2) A school or school district annually shall receive an API score, unless the Superintendent determines that an API score would be an invalid measure of the performance of the school or school district for one or more of the following reasons:

(A) Irregularities in testing procedures occurred.

(B) The data used to calculate the API score of the school or school district are not representative of the pupil population at the school or school district.

(C) Significant demographic changes in the pupil population render year-to-year comparisons of pupil performance invalid.

(D) The department discovers or receives information indicating that the integrity of the API score has been compromised.

(E) Insufficient pupil participation in the assessments included in the API.

(F) A transition to new standards-based assessments compromises comparability of results across schools or school districts. The Superintendent may use the authority in this subparagraph in the 2013–14, 2014–15, 2015–16, and 2016–17 school years only, with the approval of the state board.

(3) If a school or school district has fewer than 100 pupils with valid test scores, the calculation of the API or adequate yearly progress pursuant to the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.) and federal regulations may be calculated over more than one annual administration of the tests administered pursuant to Section 60640 and the high school exit examination administered pursuant to Section 60851, consistent with regulations adopted by the state board.

(4) Any school or school district that does not receive an API calculated pursuant to subparagraph (F) of paragraph (2) shall not receive an API growth target pursuant to subdivision (c). Schools and school districts that do not have an API calculated pursuant to subparagraph (F) of paragraph (2) shall use one of the following:

(A) The most recent API calculation.

(B) An average of the three most recent annual API calculations.

(C) Alternative measures that show increases in pupil academic achievement for all groups of pupils schoolwide and among significant subgroups.

(f) Only schools with 100 or more test scores contributing to the API may be included in the API rankings.

(g) The Superintendent, with the approval of the state board, shall develop an alternative accountability system for schools under the jurisdiction of a county board of education or a county superintendent of schools, community day schools, nonpublic, nonsectarian schools pursuant to Section 56366, and alternative schools serving high-risk pupils, including continuation high schools and opportunity schools. Schools in the alternative accountability

system may receive an API score, but shall not be included in the API rankings.

(h) For purposes of this section, county offices of education shall be considered school districts.

(i) For purposes of this section, “homeless youth” has the same meaning as in Section 11434a(2) of Title 42 of the United States Code.

SEC. 48. Section 52064 of the Education Code is amended to read:

52064. (a) On or before March 31, 2014, the state board shall adopt templates for the following purposes:

(1) For use by school districts to meet the requirements of Sections 52060 to 52063, inclusive.

(2) For use by county superintendents of schools to meet the requirements of Sections 52066 to 52069, inclusive.

(3) For use by charter schools to meet the requirements of Section 47606.5.

(b) The templates developed by the state board shall allow a school district, county superintendent of schools, or charter school to complete a single local control and accountability plan to meet the requirements of this article and the requirements of the federal No Child Left Behind Act of 2001 related to local educational agency plans pursuant to Section 1112 of Subpart 1 of Part A of Title I of Public Law 107-110. The state board shall also take steps to minimize duplication of effort at the local level to the greatest extent possible. The template shall include guidance for school districts, county superintendents of schools, and charter schools to report both of the following:

(1) A listing and description of expenditures for the 2014–15 fiscal year, and each fiscal year thereafter, implementing the specific actions included in the local control and accountability plan.

(2) A listing and description of expenditures for the 2014–15 fiscal year, and each fiscal year thereafter, that will serve the pupils to whom one or more of the definitions in Section 42238.01 apply and pupils redesignated as fluent English proficient.

(c) If possible, the templates identified in paragraph (2) of subdivision (a) for use by county superintendents of schools shall allow a county superintendent of schools to develop a single local control and accountability plan that would also satisfy the requirements of Section 48926.

(d) The state board shall adopt the template pursuant to the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The state board may adopt emergency regulations for purposes of implementing this section. The adoption of emergency regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.

(e) Notwithstanding subdivision (d), the state board may adopt or revise the template in accordance with the requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code). When adopting

the template pursuant to the requirements of the Bagley-Keene Open Meeting Act, the state board shall present the template at a regular meeting and may only take action to adopt the template at a subsequent regular meeting. This subdivision shall become inoperative on December 31, 2018.

(f) Revisions to a template shall be approved by the state board by January 31 before the fiscal year during which the template is to be used by a school district, county superintendent of schools, or charter school.

(g) The adoption of a template or evaluation rubric by the state board shall not create a requirement for a governing board of a school district, a county board of education, or a governing body of a charter school to submit a local control and accountability plan to the state board, unless otherwise required by federal law. The Superintendent shall not require a local control and accountability plan to be submitted by a governing board of a school district or the governing body of a charter school to the state board. The state board may adopt a template or evaluation rubric that would authorize a school district or a charter school to submit to the state board only the sections of the local control and accountability plan required by federal law.

SEC. 49. Section 52066 of the Education Code is amended to read:

52066. (a) On or before July 1, 2014, each county superintendent of schools shall develop, and present to the county board of education for adoption, a local control and accountability plan using a template adopted by the state board.

(b) A local control and accountability plan adopted by a county board of education shall be effective for a period of three years, and shall be updated on or before July 1 of each year.

(c) A local control and accountability plan adopted by a county board of education shall include, for each school or program operated by the county superintendent of schools, both of the following:

(1) A description of the annual goals, for all pupils and each subgroup of pupils identified pursuant to Section 52052, to be achieved for each of the state priorities identified in subdivision (d), as applicable to the pupils served, and for any additional local priorities identified by the county board of education.

(2) A description of the specific actions the county superintendent of schools will take during each year of the local control and accountability plan to achieve the goals identified in paragraph (1), including the enumeration of any specific actions necessary for that year to correct any deficiencies in regard to the state priorities listed in paragraph (1) of subdivision (d). The specific actions shall not supersede the provisions of existing local collective bargaining agreements within the jurisdiction of the county superintendent of schools.

(d) All of the following are state priorities:

(1) The degree to which the teachers in the schools or programs operated by the county superintendent of schools are appropriately assigned in accordance with Section 44258.9 and fully credentialed in the subject areas, and, for the pupils they are teaching, every pupil in the schools or programs operated by the county superintendent of schools has sufficient access to

the standards-aligned instructional materials as determined pursuant to Section 60119, and school facilities are maintained in good repair as specified in subdivision (d) of Section 17002.

(2) Implementation of the academic content and performance standards adopted by the state board, including how the programs and services will enable English learners to access the common core academic content standards adopted pursuant to Section 60605.8 and the English language development standards adopted pursuant to Section 60811.3 for purposes of gaining academic content knowledge and English language proficiency.

(3) Parental involvement, including efforts the county superintendent of schools makes to seek parent input in making decisions for each individual schoolsite and program operated by a county superintendent of schools, and including how the county superintendent of schools will promote parental participation in programs for unduplicated pupils and individuals with exceptional needs.

(4) Pupil achievement, as measured by all of the following, as applicable:

(A) Statewide assessments administered pursuant to Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 or any subsequent assessment, as certified by the state board.

(B) The Academic Performance Index, as described in Section 52052.

(C) The percentage of pupils who have successfully completed courses that satisfy the requirements for entrance to the University of California and the California State University, or career technical education sequences or programs of study that align with state board-approved career technical education standards and frameworks, including, but not limited to, those described in subdivision (a) of Section 52302, subdivision (a) of Section 52372.5, or paragraph (2) of subdivision (e) of Section 54692.

(D) The percentage of English learner pupils who make progress toward English proficiency as measured by the California English Language Development Test or any subsequent assessment of English proficiency, as certified by the state board.

(E) The English learner reclassification rate.

(F) The percentage of pupils who have passed an advanced placement examination with a score of 3 or higher.

(G) The percentage of pupils who participate in, and demonstrate college preparedness pursuant to, the Early Assessment Program, as described in Chapter 6 (commencing with Section 99300) of Part 65 of Division 14 of Title 3, or any subsequent assessment of college preparedness.

(5) Pupil engagement, as measured by all of the following, as applicable:

(A) School attendance rates.

(B) Chronic absenteeism rates.

(C) Middle school dropout rates, as described in paragraph (3) of subdivision (a) of Section 52052.1.

(D) High school dropout rates.

(E) High school graduation rates.

(6) School climate, as measured by all of the following, as applicable:

(A) Pupil suspension rates.

(B) Pupil expulsion rates.

(C) Other local measures, including surveys of pupils, parents, and teachers on the sense of safety and school connectedness.

(7) The extent to which pupils have access to, and are enrolled in, a broad course of study that includes all of the subject areas described in Section 51210 and subdivisions (a) to (i), inclusive, of Section 51220, as applicable, including the programs and services developed and provided to unduplicated pupils and individuals with exceptional needs, and the program and services that are provided to benefit these pupils as a result of the funding received pursuant to Section 42238.02, as implemented by Section 42238.03.

(8) Pupil outcomes, if available, in the subject areas described in Section 51210 and subdivisions (a) to (i), inclusive, of Section 51220, as applicable.

(9) How the county superintendent of schools will coordinate instruction of expelled pupils pursuant to Section 48926.

(10) How the county superintendent of schools will coordinate services for foster children, including, but not limited to, all of the following:

(A) Working with the county child welfare agency to minimize changes in school placement.

(B) Providing education-related information to the county child welfare agency to assist the county child welfare agency in the delivery of services to foster children, including, but not limited to, educational status and progress information that is required to be included in court reports.

(C) Responding to requests from the juvenile court for information and working with the juvenile court to ensure the delivery and coordination of necessary educational services.

(D) Establishing a mechanism for the efficient expeditious transfer of health and education records and the health and education passport.

(e) For purposes of the descriptions required by subdivision (c), a county board of education may consider qualitative information, including, but not limited to, findings that result from school quality reviews conducted pursuant to subparagraph (J) of paragraph (4) of subdivision (a) of Section 52052 or any other reviews.

(f) To the extent practicable, data reported in a local control and accountability plan shall be reported in a manner consistent with how information is reported on a school accountability report card.

(g) The county superintendent of schools shall consult with teachers, principals, administrators, other school personnel, local bargaining units of the county office of education, parents, and pupils in developing a local control and accountability plan.

(h) A county board of education may identify local priorities, goals in regard to the local priorities, and the method for measuring the county office of education's progress toward achieving those goals.

(i) (1) Beginning with the 2018–19 fiscal year and in each fiscal year thereafter, a county superintendent of schools shall prepare a summary of how the county superintendent of schools plans to support school districts and schools within the county in implementing the provisions of this article and present the summary to the county board of education at the same public

meeting required under paragraph (2) of subdivision (b) of Section 52068. The summary shall include, but is not necessarily limited to, all of the following:

(A) One or more goals for each of the following:

(i) Completing the review of local control and accountability plans submitted by school districts pursuant to Section 52070.

(ii) Providing technical assistance to school districts pursuant to subdivisions (a) and (b) of Section 52071.

(iii) Providing any other support to school districts and schools within the county in implementing the provisions of this article.

(B) One or more metrics to assess progress toward each goal identified in subparagraph (A).

(C) Specific actions and related expenditures to achieve each goal identified in subparagraph (A). The specific actions shall not supersede the provisions of existing local collective bargaining agreements within the jurisdiction of the county superintendent of schools.

(2) The summary required by paragraph (1) shall identify steps that the county superintendent of schools plans to take to collaborate with the California Collaborative for Educational Excellence, the department, and other county superintendents of schools to support school districts and schools within the county in implementing the provisions of this article.

(3) This subdivision shall not apply to a county superintendent of schools with jurisdiction over a single school district.

SEC. 50. Section 52070 of the Education Code is amended to read:

52070. (a) Not later than five days after adoption of a local control and accountability plan or annual update to a local control and accountability plan, the governing board of a school district shall file the local control and accountability plan or annual update to the local control and accountability plan with the county superintendent of schools.

(b) On or before August 15 of each year, the county superintendent of schools may seek clarification, in writing, from the governing board of a school district about the contents of the local control and accountability plan or annual update to the local control and accountability plan. Within 15 days the governing board of a school district shall respond, in writing, to requests for clarification.

(c) Within 15 days of receiving the response from the governing board of the school district, the county superintendent of schools may submit recommendations, in writing, for amendments to the local control and accountability plan or annual update to the local control and accountability plan. The governing board of a school district shall consider the recommendations submitted by the county superintendent of schools in a public meeting within 15 days of receiving the recommendations.

(d) The county superintendent of schools shall approve a local control and accountability plan or annual update to a local control and accountability plan on or before October 8, if he or she determines all of the following:

(1) The local control and accountability plan or annual update to the local control and accountability plan adheres to the template adopted by the state

board pursuant to Section 52064 and follows any instructions or directions for completing the template that are adopted by the state board.

(2) The budget for the applicable fiscal year adopted by the governing board of the school district includes expenditures sufficient to implement the specific actions and strategies included in the local control and accountability plan adopted by the governing board of the school district, based on the projections of the costs included in the plan.

(3) The local control and accountability plan or annual update to the local control and accountability plan adheres to the expenditure requirements adopted pursuant to Section 42238.07 for funds apportioned on the basis of the number and concentration of unduplicated pupils pursuant to Sections 42238.02 and 42238.03.

(e) If a county superintendent of schools has jurisdiction over a single school district, the Superintendent shall perform the duties specified in this section.

SEC. 51. Section 52070.5 of the Education Code is amended to read:

52070.5. (a) Not later than five days after adoption of a local control and accountability plan or annual update to a local control and accountability plan, the county board of education shall file the local control and accountability plan or annual update to the local control and accountability plan with the Superintendent.

(b) On or before August 15 of each year, the Superintendent may seek clarification, in writing, from the county board of education about the contents of the local control and accountability plan or annual update to the local control and accountability plan. Within 15 days the county board of education shall respond, in writing, to requests for clarification.

(c) Within 15 days of receiving the response from the county board of education, the Superintendent may submit recommendations, in writing, for amendments to the local control and accountability plan or annual update to the local control and accountability plan. The county board of education shall consider the recommendations submitted by the Superintendent in a public meeting within 15 days of receiving the recommendations.

(d) The Superintendent shall approve a local control and accountability plan or annual update to a local control and accountability plan on or before October 8, if he or she determines all of the following:

(1) The local control and accountability plan or annual update to the local control and accountability plan adheres to the template adopted by the state board pursuant to Section 52064 and follows any instructions or directions for completing the template that are adopted by the state board.

(2) The budget for the applicable fiscal year adopted by the county board of education includes expenditures sufficient to implement the specific actions and strategies included in the local control and accountability plan adopted by the county board of education, based on the projections of the costs included in the plan.

(3) The local control and accountability plan or annual update to the local control and accountability plan adheres to the expenditure requirements adopted pursuant to Section 42238.07 for funds apportioned on the basis of

the number and concentration of unduplicated pupils pursuant to Sections 2574 and 2575.

SEC. 52. Section 52074 of the Education Code is amended to read:

52074. (a) The California Collaborative for Educational Excellence is hereby established.

(b) The purpose of the California Collaborative for Educational Excellence is to advise and assist school districts, county superintendents of schools, and charter schools in achieving the goals set forth in a local control and accountability plan adopted pursuant to this article.

(c) The governing board of the California Collaborative for Educational Excellence shall, with the approval of the Department of Finance, contract with a local educational agency, or consortium of local educational agencies, to serve as the fiscal agent for the California Collaborative for Educational Excellence. The Superintendent shall apportion funds appropriated for the California Collaborative for Educational Excellence to the fiscal agent.

(d) The California Collaborative for Educational Excellence shall be governed by a board consisting of the following five members:

(1) The Superintendent or his or her designee.

(2) The president of the state board or his or her designee.

(3) A county superintendent of schools appointed by the Senate Committee on Rules.

(4) A teacher appointed by the Speaker of the Assembly.

(5) A superintendent of a school district appointed by the Governor.

(e) At the direction of the governing board of the California Collaborative for Educational Excellence, the fiscal agent shall contract with individuals, local educational agencies, or organizations with the expertise, experience, and a record of success to carry out the purposes of this article. The areas of expertise, experience, and record of success shall include, but are not limited to, all of the following:

(1) State priorities as described in subdivision (d) of Section 52060.

(2) Improving the quality of teaching.

(3) Improving the quality of school district and schoolsite leadership.

(4) Successfully addressing the needs of special pupil populations, including, but not limited to, English learners, pupils eligible to receive a free or reduced-price meal, pupils in foster care, and individuals with exceptional needs.

(f) The California Collaborative for Educational Excellence may, after consulting with the Superintendent, accept a request or referral to advise and assist a school district, county superintendent of schools, or charter school in any of the following circumstances:

(1) If the governing board of a school district, county board of education, or governing body of a charter school requests the advice and assistance of the California Collaborative for Educational Excellence.

(2) If the county superintendent of schools of the county in which the school district or charter school is located determines, following the provision of technical assistance pursuant to Section 52071 or 47607.3 as applicable, that the advice and assistance of the California Collaborative for Educational

Excellence is necessary to help the school district or charter school accomplish the goals described in the local control and accountability plan adopted pursuant to this article.

(3) If the Superintendent determines that the advice and assistance of the California Collaborative for Educational Excellence is necessary to help the school district, county superintendent of schools, or charter school accomplish the goals set forth in the local control and accountability plan adopted pursuant to this article.

(g) The individuals with whom the fiscal agent enters into employment contracts at the direction of the governing board of the California Collaborative for Educational Excellence pursuant to subdivision (e) to carry out the purposes of this article shall be deemed employees of the fiscal agent and eligible for participation in either the State Teachers' Retirement System or the Public Employees' Retirement System, as appropriate to the nature of the work to be performed by the employees.

SEC. 53. Section 52075 of the Education Code is amended to read:

52075. (a) A complaint that a school district, county superintendent of schools, or charter school has not complied with the requirements of this article or Sections 47606.5 and 47607.3, as applicable, may be filed with a school district, county superintendent of schools, or charter school pursuant to the Uniform Complaint Procedures set forth in Chapter 5.1 (commencing with Section 4600) of Division 1 of Title 5 of the California Code of Regulations.

(b) A complaint may be filed anonymously if the complaint provides evidence or information leading to evidence to support an allegation of noncompliance with the requirements of this article.

(c) A complainant not satisfied with the decision of a school district, county superintendent of schools, or charter school may appeal the decision to the Superintendent and shall receive a written appeal decision within 60 days of the Superintendent's receipt of the appeal.

(d) If a school district, county superintendent of schools, or charter school finds merit in a complaint, or the Superintendent finds merit in an appeal, the school district, county superintendent of schools, or charter school shall provide a remedy to all affected pupils, parents, and guardians.

(e) If the Superintendent finds merit in an appeal of a complaint filed against a school district related to a local control and accountability plan approved by a county superintendent of schools, or finds merit in an appeal against a county superintendent of schools related to the approval of a school district's local control and accountability plan, the Superintendent shall provide technical assistance to the county superintendent of schools focused on improving the county superintendent of schools' review and approval of local control and accountability plans.

(f) Information regarding the requirements of this article shall be included in the annual notification distributed to pupils, parents and guardians, employees, and other interested parties pursuant to Section 4622 of Title 5 of the California Code of Regulations or any successor regulation.

(g) School districts, county superintendents of schools, and charter schools shall establish local policies and procedures to implement the provisions of this section on or before June 30, 2014.

SEC. 54. Article 5 (commencing with Section 52200) is added to Chapter 7 of Part 28 of Division 4 of Title 2 of the Education Code, to read:

#### Article 5. Bilingual Teacher Professional Development Program

52200. This article shall be known, and may be cited, as the Bilingual Teacher Professional Development Program.

52201. (a) The purpose of the grant program established under this article is to ensure that California can meet the demand for bilingual teachers necessary for the implementation of dual language and other bilingual education programs as authorized by the California Education for a Global Economy Initiative, approved by the voters as Proposition 58 at the November 8, 2016, statewide general election, and to ensure California is able to meet the demand in preparing bilingual education teachers.

(b) The Legislature hereby establishes the Bilingual Teacher Professional Development Program for teachers seeking to provide instruction in bilingual and multilingual settings.

52202. (a) The Bilingual Teacher Professional Development Program shall be administered by the department in consultation with the Commission on Teacher Credentialing. The department shall issue grants to applicants through a competitive process.

(b) (1) The department shall allocate grant funding to eligible local educational agencies, including county offices of education, school districts, charter schools, or a consortia of local educational agencies for purposes of providing professional development services to teachers or paraprofessionals who satisfy the requirements of subdivision (c). Grant recipients may partner with community colleges, public or private four-year institutions of postsecondary education, and professional organizations or nonprofit organizations with English learner expertise.

(2) The department shall issue a minimum of five grants under the program.

(c) (1) A teacher shall be eligible for professional development services pursuant to subdivision (b) if he or she possesses a teaching credential or an education specialist credential authorizing the holder to teach pupils with exceptional needs, and does either of the following:

(A) Possesses an authorization to provide instruction to English learners pursuant to Section 44253.3, 44253.4, or 44253.7 and has provided instruction solely in English-only classrooms for three years or more.

(B) Is fluent in a language other than English, and seeks an authorization pursuant to Section 44253.3, 44253.4, or 44253.7 to provide instruction to English learners.

(2) A school paraprofessional employee shall be eligible for professional development services if the employee is fluent in a language other than

English, seeks to work with English learners or in a bilingual program, and intends to enter a pathway to become a credentialed teacher who holds a bilingual authorization.

(d) In selecting a grant recipient pursuant to subdivision (b), the department shall ensure that an applicant indicates how it plans to increase the number of teachers who obtain a bilingual authorization as a result of participation in the program and increase the number of teachers with a bilingual authorization who return to teaching in a bilingual or multilingual setting.

(e) In awarding funding to eligible applicants pursuant to subdivision (b), the department shall adopt criteria demonstrating an applicant's ability to provide professional development services. The adopted criteria shall include, but are not limited to, all of the following:

(1) Demonstrated commitment to bilingual and multilingual education and bilingual teacher development.

(2) Demonstrated capability to fully prepare teachers to obtain bilingual authorizations and to improve or update a teacher's knowledge and skills relating to biliteracy, English language acquisition, English language development, pupil assessment in English and other languages, and instruction in the components of a high-quality bilingual or multilingual education program.

(3) The availability of bilingual education staff with demonstrated experience and knowledge of bilingual and multilingual education for purposes of providing professional development programs.

(4) Demonstrated management and support services necessary to efficiently and effectively use funding provided under subdivision (b) to help meet the demand for bilingual teachers.

(5) Matching funds, or other in-kind matching resources, offered by the applicant in support of a professional development program funded pursuant to this article.

(6) Capacity to conduct an evaluation of a professional development program offered by the applicant for the purpose of identifying areas of strength, areas requiring improvement, and recommendations for making improvement.

(f) The department shall ensure grant recipients selected for purposes of this article, to the maximum extent possible, are balanced with regard to geographic regions and urban and rural settings.

(g) By January 1, 2021, grant recipients shall report to the department on the number of participants who were issued bilingual authorizations, the number of previously authorized teachers who have participated in the program and subsequently returned to bilingual teaching assignments, and the number of teachers who are still working at least 50 percent of the time in a bilingual setting.

SEC. 55. Section 53310 of the Education Code is amended to read:

53310. (a) On or before March 1, 2018, the Superintendent shall convene a computer science strategic implementation advisory panel to develop recommendations for a computer science strategic implementation plan.

The advisory panel shall hold public meetings, post the location and time of the meetings, and post agendas online. Members of the advisory panel shall possess expertise in computer science.

(b) Unless otherwise specified in this subdivision, the Governor shall select the membership of the advisory panel. The advisory panel shall consist of, but not necessarily be limited to, the following members:

(1) A representative appointed by the Superintendent to serve as cochair of the advisory panel.

(2) A representative appointed by the president of the state board to serve as cochair of the advisory panel.

(3) A representative designated by the Senate Committee on Rules.

(4) A representative designated by the Speaker of the Assembly.

(5) (A) Six K–12 teacher representatives, three of whom shall be designated by the Superintendent.

(B) It is the intent of the Legislature that these representatives include two elementary school teachers, two middle school teachers, and two high school teachers who are all currently teaching.

(C) It is further the intent of the Legislature that these representatives include at least one teacher from a large urban school district and at least one from a rural school district.

(6) A representative representing the Commission on Teacher Credentialing.

(7) A credentialed teacher representing the Computer Science Teachers Association.

(8) A representative of the private sector technology industry.

(9) A faculty member from the University of California.

(10) A faculty member from the California State University.

(11) A faculty member from the California Community Colleges.

(12) A faculty member from a private postsecondary educational institution.

(13) A credentialed teacher from the Instructional Quality Commission.

(14) A representative from an equity-focused organization knowledgeable of computer science/STEM education programs.

(15) A representative from a parent organization.

(16) A representative representing school administrators and superintendents, designated by the Superintendent.

(17) A pupil enrolled in a public school.

(18) A representative from a county office of education.

(c) Representatives from the University of California, the California State University, and the California Community Colleges may be consulted by the advisory panel to provide input on the computer science strategic implementation plan.

SEC. 56. Section 53311 of the Education Code is amended to read:

53311. (a) On or before January 15, 2019, the computer science strategic implementation advisory panel shall submit recommendations for a computer science strategic implementation plan to the Superintendent, the state board,

and the Legislature that includes, at a minimum, recommendations on all of the following:

(1) Broadening the pool of teachers to teach computer science. These recommendations may provide, among other things, for the following:

(A) Providing training and professional development for education in computer science pursuant to Section 60605.4.

(B) Creating a teacher certification pathway in computer science.

(C) Expanding scholarship eligibility and loan forgiveness programs for computer science teachers in low-income and underserved school districts and rural and urban school districts.

(2) Defining computer science education principles that meet the needs of pupils in kindergarten and grades 1 to 12, inclusive.

(3) Ensuring that all pupils have access to quality computer science courses. These recommendations may provide, among other things, for the following:

(A) Scaling up computer science education coursework so that all high schools teach at least one computer science course.

(B) Providing access to computer science in both college and career pathways.

(C) Ensuring school districts have adequate broadband connectivity and infrastructure and access to hardware and software. This may include, but is not limited to, the development of grant programs that prioritize high-need school districts.

(D) Removing local policy and regulatory barriers that local educational agencies face when implementing computer science education.

(E) Increasing the participation of pupils traditionally underrepresented in computer science education.

(b) The recommendations shall be submitted to the Legislature in conformance with Section 9795 of the Government Code.

(c) Upon completion of the recommendations for a computer science strategic implementation plan, the computer science strategic implementation advisory panel established pursuant to Section 53310 shall cease to exist.

SEC. 57. Section 53312 of the Education Code is repealed.

SEC. 58. Section 53313 of the Education Code is amended to read:

53313. The Superintendent shall receive the recommendations submitted by the computer science strategic implementation advisory panel pursuant to Section 53311. The Superintendent shall develop, and the state board shall consider adopting, a computer science strategic implementation plan on or before July 15, 2019. The Superintendent shall submit the plan, if adopted by the state board, to the Legislature in conformance with Section 9795 of the Government Code on or before July 15, 2019.

SEC. 59. Section 56305 of the Education Code is amended to read:

56305. (a) On or before January 1, 2019, the department shall develop a manual providing guidance to local educational agencies on identifying English learners as individuals with exceptional needs, classifying individuals with exceptional needs as English learners, supporting pupils who are both English learners and individuals with exceptional needs, and determining

when such dually identified pupils should be either removed from classification as English learners or exited from special education.

(b) The goal of the manual shall be to provide guidance, for voluntary use by local educational agencies, charter schools, and the state special schools, on evidence-based and promising practices for the identification, assessment, support, and reclassification of these pupils and to promote a collaborative approach among general education teachers, special education teachers, school administrators, paraprofessionals, other involved personnel, and parents in determining the most appropriate academic placements and services for these pupils.

(c) In developing the manual, the department shall do both of the following:

(1) Review manuals and other resources produced on this topic by local educational agencies, special education administrators, other organizations, other states, and the federal government.

(2) Establish and consult with a stakeholder group comprised of experts and practitioners. These individuals shall have expertise or experience in either special education, English learner education, or in both.

(d) The manual shall include all of the following topics:

(1) Guidance for accurately identifying English learners suspected of being individuals with exceptional needs and accurately classifying individuals with exceptional needs as English learners, including guidance on avoiding overidentification and underidentification of these pupils for special education services and in different disability categories and in different grade spans.

(2) Information on second language acquisition and progress, including guidance on distinguishing between language acquisition and disabilities.

(3) Examples of prereferral strategies, early interventions, and early intervening strategies specifically addressing the needs of English learners, including examples of early interventions for pupils in preschool and the primary grades who are acquiring foundational language and literacy skills.

(4) Guidance on referral processes.

(5) Guidance on the use of assessments, including the use of multiple measures as well as assessment accommodations for both language and disability, including assessment accommodations in primary languages.

(6) Guidance on the consideration of extrinsic factors, such as vision, hearing, and health, in the identification of pupils.

(7) Guidance on the development of individualized education programs for English learners, including the composition of individualized education program teams.

(8) Guidance on how to support the language and content learning needs of English learners who are individuals with exceptional needs, including how to do so in the least restrictive environment, as described in Section 56040.1, and in a manner that enables access to the core curriculum.

(9) Guidance regarding placement or continued placement in bilingual programs and on providing services and instruction in primary languages.

(10) Guidance on special education exit and English learner reclassification processes for English learners who are individuals with exceptional needs.

(11) Information on the role of culture and acculturation, to the extent it is related to the process of identifying English learners for special education services.

(12) Guidance for working with families, including guidance on meeting the needs of nonnative English speaking parents, guardians, and educational rights holders in special education proceedings.

(13) Examples of any plans or processes used by local educational agencies for continuous evaluation and systemic review and guidance on sharing information between special education and English learner programs within local educational agencies for the purpose of tracking effectiveness, to the extent permitted under state and federal law regarding the privacy of pupil information.

(14) State and federal law, regulations, and guidance related to the rights of English learners and individuals with exceptional needs.

(e) All guidance in the manual shall be consistent with state and federal law, regulations, and guidance regarding English learners and special education.

(f) The manual shall be written for ease of use by educators. The department is encouraged to incorporate features such as flowcharts, checklists, sample forms, and case examples.

(g) The department shall post the manual on its Internet Web site and on its professional development Internet Web site.

(h) For purposes of this section, the following terms have the following meanings:

(1) “English learners” has the same definition as in subdivision (a) of Section 435.

(2) “Individuals with exceptional needs” has the same definition as in Section 56026.

(3) “Reclassification,” with respect to an English learner, means the procedures described in Section 11303 of Title 5 of the California Code of Regulations.

(i) (1) (A) In implementing this section, the department, with input from the stakeholder group, shall develop a plan for the dissemination of the manual and the means of providing professional development on the content of the manual. The plan shall address how the state and local educational agencies can collaborate in meeting both of these objectives in a cost-effective manner.

(B) Implementation of the plan developed pursuant to subparagraph (A) shall be contingent upon an appropriation for that purpose in the annual Budget Act or another enacted statute.

(2) The plan shall be submitted to the state board, the Department of Finance, the Legislative Analyst’s Office, the California Collaborative for Educational Excellence, the Advisory Commission on Special Education,

and the appropriate policy and fiscal committees of the Legislature on or before July 1, 2018.

(j) It is the intent of the Legislature that this section be funded with federal funds, to the extent permissible.

SEC. 60. Section 56836.165 of the Education Code is amended to read:

56836.165. (a) For the 2004–05 fiscal year and each fiscal year thereafter, the Superintendent shall calculate for each special education local plan area an amount based on (1) the number of children and youth residing in foster family homes, small family homes, and foster family agencies, (2) the licensed capacity of group homes licensed by the State Department of Social Services, and (3) the number of children and youth ages 3 to 21 years, inclusive, referred by the State Department of Developmental Services who are residing in skilled nursing facilities or intermediate care facilities licensed by the State Department of Health Services and the number of children and youth, ages 3 to 21 years, inclusive, referred by the State Department of Developmental Services who are residing in community care facilities licensed by the State Department of Social Services.

(b) The department shall assign each facility described in paragraphs (1), (2), and (3) of subdivision (a) a severity rating. The severity ratings shall be on a scale from 1 to 14. Foster family homes and small family homes shall be assigned a severity rating of 1. Foster family agencies shall be assigned a severity rating of 2. Facilities described in paragraph (2) of subdivision (a) shall be assigned the same severity rating as its State Department of Social Services rate classification level. For facilities described in paragraph (3) of subdivision (a), skilled nursing facilities shall be assigned a severity rating of 14, intermediate care facilities shall be assigned a severity rating of 11, and community care facilities shall be assigned a severity rating of 8.

(c) (1) The department shall establish a “bed allowance” for each severity level. For the 2004–05 fiscal year, the bed allowance shall be calculated as described in paragraph (2). For the 2005–06 fiscal year and each fiscal year thereafter, the department shall increase the bed allowance by the inflation adjustment computed pursuant to Section 42238.1. The department shall not establish a bed allowance for any facility defined in paragraphs (2) and (3) of subdivision (a) if it is not licensed by the State Department of Social Services or the State Department of Health Services.

(2) (A) The bed allowance for severity level 1 shall be five hundred two dollars (\$502).

(B) The bed allowance for severity level 2 shall be six hundred ten dollars (\$610).

(C) The bed allowance for severity level 3 shall be one thousand four hundred thirty-four dollars (\$1,434).

(D) The bed allowance for severity level 4 shall be one thousand six hundred forty-nine dollars (\$1,649).

(E) The bed allowance for severity level 5 shall be one thousand eight hundred sixty-five dollars (\$1,865).

(F) The bed allowance for severity level 6 shall be two thousand eighty dollars (\$2,080).

(G) The bed allowance for severity level 7 shall be two thousand two hundred ninety-five dollars (\$2,295).

(H) The bed allowance for severity level 8 shall be two thousand five hundred ten dollars (\$2,510).

(I) The bed allowance for severity level 9 shall be five thousand four hundred fifty-one dollars (\$5,451).

(J) The bed allowance for severity level 10 shall be five thousand eight hundred eighty-one dollars (\$5,881).

(K) The bed allowance for severity level 11 shall be nine thousand four hundred sixty-seven dollars (\$9,467).

(L) The bed allowance for severity level 12 shall be thirteen thousand four hundred eighty-three dollars (\$13,483).

(M) The bed allowance for severity level 13 shall be fourteen thousand three hundred forty-three dollars (\$14,343).

(N) The bed allowance for severity level 14 shall be twenty thousand eighty-one dollars (\$20,081).

(d) (1) For each fiscal year, the department shall calculate an out-of-home care funding amount for each special education local plan area as the sum of amounts computed pursuant to paragraphs (2), (3), and (4). The State Department of Social Services and the State Department of Developmental Services shall provide the State Department of Education with the residential counts identified in paragraphs (2), (3), and (4).

(2) The number of children and youth residing on April 1 in foster family homes, small family homes, and foster family agencies located in each special education local plan area times the appropriate bed allowance.

(3) The capacity on April 1 of each group home licensed by the State Department of Social Services located in each special education local plan area times the appropriate bed allowance.

(4) The number on April 1 of children and youth (A) ages 3 through 21 referred by the State Department of Developmental Services who are residing in skilled nursing facilities and intermediate care facilities licensed by the State Department of Health Services located in each special education local plan area times the appropriate bed allowance, and (B) ages 3 to 21 years, inclusive, referred by the State Department of Developmental Services who are residing in community care facilities licensed by the State Department of Social Services located in each special education local plan area times the appropriate bed allowance.

(5) Notwithstanding subdivision (b) and paragraphs (2) and (3), for purposes of the 2017–18 fiscal year out-of-home care funding amount for group homes, foster family homes, small family homes, and foster family agencies, the Superintendent shall use the data received from the State Department of Social Services that was used for the funding for the 2016–17 fiscal year.

(e) In determining the amount of the first principal apportionment for a fiscal year pursuant to Section 41332, the Superintendent shall continue to

apportion funds from Section A of the State School Fund to each special education local plan area equal to the amount apportioned at the advance apportionment pursuant to Section 41330 for that fiscal year.

(f) Notwithstanding subdivision (b) and paragraph (3) of subdivision (d), for purposes of the 2016–17 fiscal year funding for group homes, the Superintendent shall use the rate classification levels as they exist on December 31, 2016, and the capacity of each group home licensed by the State Department of Social Services located in each special education local plan area on December 31, 2016.

SEC. 61. Section 56836.29 is added to the Education Code, to read:

56836.29. If special education local plan areas reorganize, including by merger or division, the department shall adjust rates for payments to and from the resulting special education local plan areas so that overall funding neither increases nor decreases from what it would have been before the reorganization.

SEC. 62. Section 60209 of the Education Code is repealed.

SEC. 63. Section 60211 of the Education Code is repealed.

SEC. 64. Section 60213 is added to the Education Code, to read:

60213. For purposes of adopting basic instructional materials in a given subject area pursuant to Section 60200, all of the following shall apply:

(a) (1) Before conducting an adoption in a given subject area, the department shall provide notice, pursuant to paragraph (2), to all publishers or manufacturers known to produce basic instructional materials in that subject area, post an appropriate notice on the Internet Web site of the department, and take other reasonable measures to ensure that appropriate notice is widely circulated to potentially interested publishers and manufacturers.

(2) The notice provided pursuant to paragraph (1) shall specify that each publisher or manufacturer choosing to participate in the adoption process shall be assessed a fee based on the number of programs the publisher or manufacturer indicates will be submitted for review and the number of grade levels proposed to be covered by each program.

(b) The department, before incurring substantial costs for the adoption, shall require that a publisher or manufacturer who wishes to participate in the adoption first declare the intent to submit one or more specific programs for adoption and specify the specific grade levels to be covered by each program. After a publisher or manufacturer has declared the intent to submit one or more programs and the grade levels to be covered by each program, the department shall assess a fee. The fee shall be payable by the publisher or manufacturer even if the publisher or manufacturer subsequently chooses to withdraw a program or reduce the number of grade levels covered. A submission by a publisher or manufacturer shall not be reviewed for purposes of adoption until the fee assessed has been paid in full.

(c) The fee assessed pursuant to subdivision (b) shall cover the cost of conducting the adoption. The department shall take reasonable steps to limit costs of the adoption and to keep the fee modest.

(d) (1) Upon the request of a small publisher or small manufacturer, the state board may reduce the fee for participation in the adoption.

(2) For purposes of this section, “small publisher” and “small manufacturer” mean an independently owned or operated publisher or manufacturer who is not dominant in its field of operation, and who, together with its affiliates, has 100 or fewer employees, and has average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years.

(e) Revenue derived from fees assessed pursuant to subdivision (b) shall be budgeted as reimbursements and subject to review through the annual budget process, and may be used to pay for costs associated with any adoption and for any costs associated with the review of instructional materials, including costs of substitutes for teacher reviewers and stipends for content review experts.

(f) If the department determines that there is little or no interest in participating in an adoption by publishers and manufacturers, the department shall recommend to the state board whether or not the adoption shall be conducted, and the state board may choose not to conduct the adoption.

(g) General fund revenue shall not be used for the cost of conducting an adoption of instructional materials.

SEC. 65. Section 60643 of the Education Code is amended to read:

60643. (a) Notwithstanding any other law, the contractor or contractors of the achievement tests provided for in Section 60640 shall comply with all of the conditions and requirements of the contract to the satisfaction of the Superintendent and the state board.

(b) (1) The department shall develop, and the Superintendent and the state board shall approve, a contract or contracts to be entered into with a contractor in connection with the test provided for in Section 60640. The department may develop the contract through negotiations. In approving a contract amendment to the contract authorized pursuant to this section, the department, in consultation with the state board, may make material amendments to the contract that do not increase the contract cost. Contract amendments that increase contract costs may only be made with the approval of the department, the state board, and the Department of Finance.

(2) For purposes of the contracts authorized pursuant to this subdivision, the department is exempt from the requirements of Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and from the requirements of Article 6 (commencing with Section 999) of Chapter 6 of Division 4 of the Military and Veterans Code. The department shall use a competitive and open process utilizing standardized scoring criteria through which to select a potential administration contractor or contractors for recommendation to the state board for consideration. The state board shall consider each of the following criteria:

(A) The ability of the contractor to produce valid and reliable scores.

(B) The ability of the contractor to report accurate results in a timely fashion.

(C) Exclusive of the consortium assessments, the ability of the contractor to ensure technical adequacy of the tests, inclusive of the alignment between the California Assessment of Student Performance and Progress tests and the state-adopted content standards.

(D) The cost of the assessment system.

(E) The ability and proposed procedures to ensure the security and integrity of the assessment system.

(F) The experience of the contractor in successfully conducting statewide testing programs in other states.

(3) The contracts shall include provisions for progress payments to the contractor for work performed or costs incurred in the performance of the contract. Not less than 10 percent of the amount budgeted for each separate and distinct component task per test administration provided for in each contract shall be withheld pending final completion of all component tasks by that contractor. The total amount withheld pending final completion shall not exceed 10 percent of the total contract price for that test administration.

(4) The contracts shall require liquidated damages to be paid by the contractor in the amount of up to 10 percent of the total cost of the contract for any component task per test administration that the contractor through its own fault or that of its subcontractors fails to substantially perform as specified in the agreement.

(5) The contracts shall establish the process and criteria by which the successful completion of each component task shall be recommended by the department and approved by the state board.

(6) The contractors shall submit, as part of the contract negotiation process, a proposed budget and invoice schedule, that includes a detailed listing of the costs for each component task and the expected date of the invoice for each completed component task.

(7) The contract or contracts subject to approval by the Superintendent and the state board under paragraph (1) and exempt under paragraph (2) shall specify the following component tasks, as applicable, that are separate and distinct:

(A) Development of new tests or test items.

(B) Test materials production or publication.

(C) Delivery or electronic distribution of test materials to local educational agencies.

(D) Test processing, scoring, and analyses.

(E) Reporting of test results to the local educational agencies, including, but not necessarily limited to, all reports specified in this section.

(F) Reporting of valid and reliable test results to the department, including, but not necessarily limited to, the following electronic files:

(i) Scores aggregated statewide, and by county, school district, school, and grade.

(ii) Disaggregated scores based on English proficiency status, gender, ethnicity, socioeconomic disadvantage, foster care status, and special education designation.

(G) All other analyses or reports required by the Superintendent to meet the requirements of state and federal law and set forth in the agreement.

(H) Technology services to support the activities listed in subparagraphs (A) to (G), inclusive.

(I) Perform regular performance checks and load simulations to ensure the integrity and robustness of the technology system used to support the activities listed in subparagraphs (A) to (G), inclusive.

SEC. 66. Section 17581.6 of the Government Code is amended to read:

17581.6. (a) Funding apportioned pursuant to this section shall constitute reimbursement pursuant to Section 6 of Article XIII B of the California Constitution for the performance of any state mandates included in the statutes and executive orders identified in subdivision (e).

(b) Any school district, county office of education, or charter school may elect to receive block grant funding pursuant to this section.

(c) (1) A school district, county office of education, or charter school that elects to receive block grant funding pursuant to this section in a given fiscal year shall submit a letter requesting funding to the Superintendent of Public Instruction on or before August 30 of that fiscal year.

(2) The Superintendent of Public Instruction shall, in the month of November of each year, apportion block grant funding appropriated pursuant to Item 6100-296-0001 of Section 2.00 of the annual Budget Act to all school districts, county offices of education, and charter schools that submitted letters requesting funding in that fiscal year according to the provisions of that item.

(3) A school district or county office of education that receives block grant funding pursuant to this section shall not be eligible to submit claims to the Controller for reimbursement pursuant to Section 17560 for any costs of any state mandates included in the statutes and executive orders identified in subdivision (e) incurred in the same fiscal year during which the school district or county office of education received funding pursuant to this section.

(d) Commencing with the 2017–18 fiscal year, the per unit average daily attendance funding rates specified in the provisions of Item 6100-296-0001 of the annual Budget Act shall be adjusted annually by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

(e) Block grant funding apportioned pursuant to this section is subject to annual financial and compliance audits required by Section 41020 of the Education Code.

(f) Block grant funding apportioned pursuant to this section is specifically intended to fund the costs of the following programs and activities:

(1) Academic Performance Index (01-TC-22; Chapter 3 of the Statutes of 1999, First Extraordinary Session; and Chapter 695 of the Statutes of 2000).

(2) Agency Fee Arrangements (00-TC-17 and 01-TC-14; Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes of 2001).

(3) AIDS Instruction and AIDS Prevention Instruction (CSM 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of 1991; and Chapter 403 of the Statutes of 1998).

(4) California Assessment of Student Performance and Progress (CAASPP) (14-TC-01 and 14-TC-04; Chapter 489 of the Statutes of 2013; and Chapter 32 of the Statutes of 2014).

(5) California State Teachers' Retirement System (CalSTRS) Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the Statutes of 1999; and Chapter 1021 of the Statutes of 2000).

(6) Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes of 1994).

(7) Charter Schools I, II, and III (CSM 4437, 99-TC-03, and 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and 673 of the Statutes of 1998; Chapter 34 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).

(8) Charter Schools IV (03-TC-03; Chapter 1058 of the Statutes of 2002).

(9) Child Abuse and Neglect Reporting (01-TC-21; Chapters 640 and 1459 of the Statutes of 1987; Chapter 132 of the Statutes of 1991; Chapter 459 of the Statutes of 1992; Chapter 311 of the Statutes of 1998; Chapter 916 of the Statutes of 2000; and Chapters 133 and 754 of the Statutes of 2001).

(10) Collective Bargaining (CSM 4425; Chapter 961 of the Statutes of 1975).

(11) Comprehensive School Safety Plans (98-TC-01 and 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of the Statutes of 1999; and Chapter 828 of the Statutes of 2003).

(12) Consolidation of Annual Parent Notification/Schoolsite Discipline Rules/Alternative Schools (CSM 4488, CSM 4461, 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469 of the Statutes of 1981; Chapter 459 of the Statutes of 1985; Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988; Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter 1296 of the Statutes of 1993; Chapter 929 of the Statutes of 1997; Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the Statutes of 1999, First Extraordinary Session; Chapter 73 of the Statutes of 2000; Chapter 650 of the Statutes of 2003;

Chapter 895 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).

(13) Consolidation of Law Enforcement Agency Notification and Missing Children Reports (CSM 4505; Chapter 1117 of the Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of 1986; and Chapter 832 of the Statutes of 1999).

(14) Consolidation of Notification to Teachers: Pupils Subject to Suspension or Expulsion I and II, and Pupil Discipline Records (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).

(15) Consolidated Suspensions, Expulsions, and Expulsion Appeals (96-358-03, 03A, 98-TC-22, 01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of 1996; Chapter 637 of the Statutes of 1997; Chapter 489 of the Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147 of the Statutes of 2000; and Chapter 116 of the Statutes of 2001) (CSM 4455; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256, and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes of 1994) (CSM 4456; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987) (CSM 4463; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).

(16) County Office of Education Fiscal Accountability Reporting (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

(17) Criminal Background Checks (97-TC-16; Chapters 588 and 589 of the Statutes of 1997).

(18) Criminal Background Checks II (00-TC-05; Chapters 594 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).

(19) Developer Fees (02-TC-42; Chapter 955 of the Statutes of 1977; Chapter 282 of the Statutes of 1979; Chapter 1354 of the Statutes of 1980; Chapter 201 of the Statutes of 1981; Chapter 923 of the Statutes of 1982; Chapter 1254 of the Statutes of 1983; Chapter 1062 of the Statutes of 1984; Chapter 1498 of the Statutes of 1985; Chapters 136 and 887 of the Statutes of 1986; and Chapter 1228 of the Statutes of 1994).

(20) Differential Pay and Reemployment (99-TC-02; Chapter 30 of the Statutes of 1998).

(21) Expulsion of Pupil: Transcript Cost for Appeals (SMAS; Chapter 1253 of the Statutes of 1975).

(22) Financial and Compliance Audits (CSM 4498 and CSM 4498-A; Chapter 36 of the Statutes of 1977).

(23) Graduation Requirements (CSM 4181; Chapter 498 of the Statutes of 1983).

(24) Habitual Truants (CSM 4487 and CSM 4487-A; Chapter 1184 of the Statutes of 1975).

(25) High School Exit Examination (00-TC-06; Chapter 1 of the Statutes of 1999, First Extraordinary Session; and Chapter 135 of the Statutes of 1999).

(26) Immunization Records (SB 90-120; Chapter 1176 of the Statutes of 1977).

(27) Immunization Records—Mumps, Rubella, and Hepatitis B (98-TC-05; 14-MR-04; Chapter 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979; Chapter 472 of the Statutes of 1982; Chapter 984 of the Statutes of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995; Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882 of the Statutes of 1997; and Chapter 434 of the Statutes of 2010).

(28) Immunization Records—Pertussis (11-TC-02; Chapter 434 of the Statutes of 2010).

(29) Interdistrict Attendance Permits (CSM 4442; Chapters 172 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the Statutes of 1992).

(30) Intradistrict Attendance (CSM 4454; Chapters 161 and 915 of the Statutes of 1993).

(31) Juvenile Court Notices II (CSM 4475; Chapters 1011 and 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994; and Chapter 71 of the Statutes of 1995).

(32) Notification of Truancy (CSM 4133; Chapter 498 of the Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter 19 of the Statutes of 1995).

(33) Parental Involvement Programs (03-TC-16; Chapter 1400 of the Statutes of 1990; Chapters 864 and 1031 of the Statutes of 1998; and Chapter 1037 of the Statutes of 2002).

(34) Physical Performance Tests (96-365-01; Chapter 975 of the Statutes of 1995).

(35) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).

(36) Public Contracts (02-TC-35; Chapter 1073 of the Statutes of 1985; Chapter 1408 of the Statutes of 1988; Chapter 330 of the Statutes of 1989; Chapter 1414 of the Statutes of 1990; Chapter 321 of the Statutes of 1990; Chapter 799 of the Statutes of 1992; and Chapter 726 of the Statutes of 1994).

(37) Pupil Health Screenings (CSM 4440; Chapter 1208 of the Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter 750 of the Statutes of 1992).

(38) Pupil Promotion and Retention (98-TC-19; Chapter 100 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes of 1990; and Chapters 742 and 743 of the Statutes of 1998).

(39) Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes of 1983; Chapter 482 of the Statutes of 1984; Chapter 948 of the Statutes of 1984; Chapter 196 of the Statutes of 1986; Chapter 332 of the Statutes of 1986; Chapter 445 of the Statutes of 1992; Chapter 1317 of the Statutes of 1992; Chapter 589 of the Statutes of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of the Statutes of 1996; and Chapter 492 of the Statutes of 2000).

(40) Race to the Top (10-TC06; Chapters 2 and 3 of the Statutes of 2009).

(41) School Accountability Report Cards (97-TC-21, 00-TC-09, 00-TC-13, and 02-TC-32; Chapter 918 of the Statutes of 1997; Chapter 912 of the Statutes of 1997; Chapter 824 of the Statutes of 1994; Chapter 1031 of the Statutes of 1993; Chapter 759 of the Statutes of 1992; and Chapter 1463 of the Statutes of 1989).

(42) School District Fiscal Accountability Reporting (97-TC-19; Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

(43) School District Reorganization (98-TC-24; Chapter 1192 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

(44) Student Records (02-TC-34; Chapter 593 of the Statutes of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the Statutes of 1998; and Chapter 67 of the Statutes of 2000).

(45) The Stull Act (98-TC-25; Chapter 498 of the Statutes of 1983; and Chapter 4 of the Statutes of 1999).

(46) Threats Against Peace Officers (CSM 96-365-02; Chapter 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of 1995).

(47) Training for School Employee Mandated Reporters (14-TC-02; Chapter 797 of the Statutes of 2014).

(48) Uniform Complaint Procedures (03-TC-02; Chapter 1117 of the Statutes of 1982; Chapter 1514 of the Statutes 1988; and Chapter 914 of the Statutes of 1998).

(49) Williams Case Implementation I, II, and III (05-TC-04, 07-TC-06, and 08-TC-01; Chapters 900, 902, and 903 of the Statutes of 2004; Chapter 118 of the Statutes of 2005; Chapter 704 of the Statutes of 2006; and Chapter 526 of the Statutes of 2007).

(g) Notwithstanding Section 10231.5, on or before November 1 of each fiscal year, the Superintendent of Public Instruction shall produce a report that indicates the total amount of block grant funding each school district, county office of education, and charter school received in that fiscal year pursuant to this section. The Superintendent of Public Instruction shall

provide this report to the appropriate fiscal and policy committees of the Legislature, the Controller, the Department of Finance, and the Legislative Analyst's Office.

SEC. 67. Section 17581.96 is added to the Government Code, to read:

17581.96. (a) (1) For the 2017–18 fiscal year, the sum of eight hundred seventy-six million five hundred eighty-one thousand dollars (\$876,581,000) is hereby appropriated from the General Fund to the State Department of Education for transfer by the Controller to Section A of the State School Fund. The Superintendent of Public Instruction shall allocate those funds to school districts and county superintendents of schools in the manner, and for the purposes, set forth in this section.

(2) For purposes of this section, a “school district” includes a county office of education and a charter school.

(b) The Superintendent of Public Instruction shall allocate the funds appropriated pursuant to paragraph (1) of subdivision (a) to school districts on the basis of an equal amount per unit of regular average daily attendance, as those average daily attendance numbers are reported at the time of the second principal apportionment for the 2016–17 fiscal year.

(c) Allocations made pursuant to this section shall first satisfy any outstanding claims pursuant to Section 6 of Article XIII B of the California Constitution for reimbursement of state-mandated local program costs for any fiscal year. Notwithstanding Section 12419.5 and any amounts that are paid in satisfaction of outstanding claims for reimbursement of state-mandated local program costs, the Controller may audit any claim as allowed by law, and may recover any amount owed by school districts pursuant to an audit only by reducing amounts owed by the state to school districts for any other mandate claims. Under no circumstances shall a school district be required to remit funding back to the state to pay for disallowed costs identified by a Controller audit of claimed reimbursable state-mandated local program costs. The Controller shall not recover any amount owed by a school district pursuant to an audit of claimed reimbursable state-mandated local program costs by reducing any amount owed a school district for any purpose other than amounts owed for any other mandate claims. The Controller shall apply amounts received by each school district against any balances of unpaid claims for reimbursement of state-mandated local program costs and interest in chronological order beginning with the earliest claim. The Controller shall report to each school district the amounts of any claims and interest that are offset from funds provided pursuant to this section and shall report a summary of the amounts offset for each mandate for each fiscal year to the Department of Finance and the fiscal committees of each house of the Legislature.

(d) (1) The governing board of a school district may expend the one-time funds received pursuant to this section for any purpose, as determined by the governing board of the school district.

(2) It is the intent of the Legislature that school districts shall prioritize the use of these one-time funds for deferred maintenance, professional development for educators, induction for beginning teachers with a focus

on relevant mentoring, instructional materials, technology infrastructure, and any other investments necessary to support implementation of the common core standards in English language arts and mathematics, the implementation of English language development standards, and the implementation of the Next Generation Science standards.

(e) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by paragraph (1) of subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 68. Section 1596.64 of the Health and Safety Code is amended to read:

1596.64. (a) Both the department and the State Department of Education shall enter into a contract with the California Child Care Resource and Referral Network to administer the trustline duties as described in this chapter.

(b) The California Child Care Resources and Referral Network may subcontract with local resource and referral programs for the implementation of the trustline program at the local level.

(c) Notwithstanding any other law:

(1) Contracts or grants awarded pursuant to this chapter shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(2) Contracts or grants awarded pursuant to this chapter shall be exempt from the Public Contract Code and the State Contracting Manual, and shall not be subject to the approval of the Department of General Services.

SEC. 69. Section 1596.792 of the Health and Safety Code is amended to read:

1596.792. This chapter, Chapter 3.5 (commencing with Section 1596.90), and Chapter 3.6 (commencing with Section 1597.30) do not apply to any of the following:

(a) Any health facility, as defined by Section 1250.

(b) Any clinic, as defined by Section 1202.

(c) Any community care facility, as defined by Section 1502.

(d) Any family day care home providing care for the children of only one family in addition to the operator’s own children.

(e) Any cooperative arrangement between parents for the care of their children when no payment is involved and the arrangement meets all of the following conditions:

(1) In a cooperative arrangement, parents shall combine their efforts so that each parent, or set of parents, rotates as the responsible caregiver with respect to all the children in the cooperative.

(2) Any person caring for children shall be a parent, legal guardian, stepparent, grandparent, aunt, uncle, or adult sibling of at least one of the children in the cooperative.

(3) There can be no payment of money or receipt of in-kind income in exchange for the provision of care. This does not prohibit in-kind contributions of snacks, games, toys, blankets for napping, pillows, and other materials parents deem appropriate for their children. It is not the intent of this paragraph to prohibit payment for outside activities, the amount of which may not exceed the actual cost of the activity.

(4) No more than 12 children are receiving care in the same place at the same time.

(f) Any arrangement for the receiving and care of children by a relative.

(g) Any public recreation program. "Public recreation program" means a program operated by the state, city, county, special district, school district, community college district, chartered city, or chartered city and county that meets either of the following criteria:

(1) The program is operated only during hours other than normal school hours for kindergarten and grades 1 to 12, inclusive, in the public school district where the program is located, or operated only during periods when students in kindergarten and grades 1 to 12, inclusive, are normally not in session in the public school district where the program is located, for either of the following periods:

(A) For under 20 hours per week.

(B) For a total of 14 weeks or less during a 12-month period. This total applies to any 14 weeks within any 12-month period, without regard to whether the weeks are consecutive.

In determining "normal school hours" or periods when students are "normally not in session," the State Department of Social Services shall, when appropriate, consider the normal school hours or periods when students are normally not in session for students attending a year-round school.

(2) The program is provided to children who are over the age of four years and nine months and not yet enrolled in school and the program is operated during either of the following periods:

(A) For under 16 hours per week.

(B) For a total of 12 weeks or less during a 12-month period. This total applies to any 12 weeks within any 12-month period, without regard to whether the weeks are consecutive.

(3) The program is provided to children under the age of four years and nine months with sessions that run 12 hours per week or less and are 12 weeks or less in duration. A program subject to this paragraph may permit children to be enrolled in consecutive sessions throughout the year. However, the program shall not permit children to be enrolled in a combination of sessions that total more than 12 hours per week for each child.

(h) Extended day care programs operated by public or private schools.

(i) Any school parenting program or adult education child care program that satisfies both of the following:

(1) Is operated by a public school district or operated by an individual or organization pursuant to a contract with a public school district.

(2) Is not operated by an organization specified in Section 1596.793.

(j) Any child day care program that operates only one day per week for no more than four hours on that one day.

(k) Any child day care program that offers temporary child care services to parents and that satisfies both of the following:

(1) The services are only provided to parents and guardians who are on the same premises as the site of the child day care program.

(2) The child day care program is not operated on the site of a ski facility, shopping mall, department store, or any other similar site identified by the department by regulation.

(l) Any program that provides activities for children of an instructional nature in a classroom-like setting and satisfies both of the following:

(1) Is operated only during periods of the year when students in kindergarten and grades 1 to 12, inclusive, are normally not in session in the public school district where the program is located due to regularly scheduled vacations.

(2) Offers any number of sessions during the period specified in paragraph (1) that when added together do not exceed a total of 30 days when only schoolage children are enrolled in the program or 15 days when children younger than schoolage are enrolled in the program.

(m) A program facility administered by the Department of Corrections and Rehabilitation that (1) houses both women and their children, and (2) is specifically designated for the purpose of providing substance abuse treatment and maintaining and strengthening the family unit pursuant to Chapter 4 (commencing with Section 3410) of Title 2 of Part 3 of the Penal Code, or Chapter 4.8 (commencing with Section 1174) of Title 7 of Part 2 of that code.

(n) Any crisis nursery, as defined in paragraph (17) of subdivision (a) of Section 1502.

(o) (1) Commencing with the adoption of emergency regulations pursuant to paragraph (3), or no later than July 1, 2019, whichever comes first, a California state preschool program, as defined by Section 8235 of the Education Code, operating in a school building, as defined by Section 17283 of the Education Code, under contract through a local educational agency, that meets all of the following conditions:

(A) The program is operated in a local educational agency facility that meets the requirements of the Field Act, as specified in Article 3 (commencing with Section 17280) and Article 6 (commencing with Section 17365) of Chapter 3 of Part 10.5 of Division 1 of Title 1 of, and Article 7 (commencing with Section 81130) of Chapter 1 of Part 49 of Division 7 of Title 3 of, the Education Code.

(B) The local educational agency facility is constructed consistent with California Building Standards Code pursuant to Title 24 of the California Code of Regulations.

(C) The local educational agency facility meets the requirements for kindergarten classrooms in accordance with Chapter 13 (commencing with Section 14000) of Division 1 of Title 5 of the California Code of Regulations.

(D) The program meets all other requirements of California state preschool programs pursuant to Chapter 19 (commencing with Section 17906) of Division 1 of Title 5 of the California Code of Regulations.

(2) A California state preschool program exempt under this subdivision shall be considered licensed under Division 12 (commencing with Section 101151) of Title 22 of the California Code of Regulations for purposes of establishing a rating on an early learning quality rating and improvement system matrix pursuant to Section 8203.1 of the Education Code.

(3) (A) No later than October 1, 2017, the Legislative Analyst shall convene a stakeholder process for the purpose of ensuring state preschools operated by local educational agencies are maintaining all existing necessary health and safety requirements.

(B) The stakeholder process shall identify and make recommendations on any health and safety requirements currently required under Title 22 of the California Code of Regulations, but not included in Title 5 of the California Code of Regulations, the Field Act, Title 24 of the California Code of Regulations, the California Plumbing Code, the Education Code, or this code, including, but not limited to, all of the following:

(i) Adequate outdoor shade structures.

(ii) Access to age and developmentally appropriate bathroom and drinking water facilities.

(iii) Appropriate processes for parent notification and resolution of code and regulation violations.

(C) The stakeholder process participants shall include experts on early childhood education health and safety issues from local educational agency and nonlocal educational agency state preschool program providers, and representatives from the Department of Education, State Department of Social Services, Department of Finance, and legislative staff.

(D) No later than March 15, 2018, the Legislative Analyst shall report to the appropriate fiscal and policy committees of the Legislature, the Department of Finance, and the Department of Education on recommendations or observations as a result of the stakeholder process. These recommendations or observations shall consider the fiscal impact on the state. No sooner than 30 days after the report is provided, the Department of Education shall commence a process to adopt emergency regulations pursuant to Section 11346.1 of the Government Code to satisfy the requirements of this paragraph. The adoption of emergency regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.

SEC. 70. Section 26233 of the Public Resources Code is amended to read:

26233. (a) Commencing with the 2013–14 fiscal year and through the 2017–18 fiscal year, inclusive, the funds deposited annually in the Job Creation Fund and remaining after the transfer pursuant to Section 26227

and the appropriation pursuant to Section 26230 shall be allocated, to the extent consistent with this division, as follows:

(1) Eighty-nine percent of the funds shall be available to local educational agencies and allocated by the Superintendent of Public Instruction pursuant to subdivision (b).

(2) Eleven percent of the funds shall be available to community college districts and allocated by the Chancellor of the California Community Colleges at his or her discretion.

(b) The Superintendent of Public Instruction shall allocate the funds provided in paragraph (1) of subdivision (a) as follows:

(1) Eighty-five percent on the basis of average daily attendance reported as of the second principal apportionment for the prior fiscal year. For purposes of this section, average daily attendance for the state special schools shall be deemed to be 97 percent of the prior year enrollment as reported in the California Longitudinal Pupil Achievement Data System.

(A) For every local educational agency with average daily attendance as reported pursuant to this subdivision of 100 or less, the amount awarded shall be fifteen thousand dollars (\$15,000).

(B) For every local educational agency with average daily attendance as reported pursuant to this subdivision in excess of 100, but 1,000 or less, the amount awarded shall be either that local educational agency's proportional award on the basis of average daily attendance or fifty thousand dollars (\$50,000), whichever amount is larger.

(C) For every local educational agency with average daily attendance as reported pursuant to this subdivision in excess of 1,000, but less than 2,000, the amount awarded shall be either that local educational agency's proportional award on the basis of average daily attendance or one hundred thousand dollars (\$100,000), whichever amount is larger.

(D) For every local educational agency with average daily attendance as reported pursuant to this subdivision of 2,000 or more, the amount awarded shall be the local educational agency's proportional award on the basis of average daily attendance.

(2) Fifteen percent on the basis of students eligible for free and reduced-price meals in the prior year.

(3) For every local educational agency that receives over one million dollars (\$1,000,000) pursuant to this subdivision, not less than 50 percent of the funds shall be used for projects larger than two hundred fifty thousand dollars (\$250,000) that achieve substantial energy efficiency, clean energy, and jobs benefits.

(c) A local educational agency subject to subparagraph (A) or (B) of paragraph (1) of subdivision (b) may submit a written request to the Superintendent of Public Instruction, by September 1 of each year, to receive in the current year its funding allocation for both the current year and the following year, both of which would be based on the average daily attendance used in the current year for determining funding pursuant to the applicable subparagraph. A local educational agency requesting funding pursuant to this subdivision shall not receive a funding allocation in the year

following the request. This election applies to the funding available pursuant to paragraphs (1) and (2) of subdivision (b).

(d) A local educational agency shall encumber funds received pursuant to this section by June 30, 2019.

SEC. 71. Section 11323.2 of the Welfare and Institutions Code is amended to read:

11323.2. (a) Necessary supportive services shall be available to every participant in order to participate in the program activity to which he or she is assigned or to accept employment or the participant shall have good cause for not participating under subdivision (f) of Section 11320.3. As provided in the welfare-to-work plan entered into between the county and participant pursuant to this article, supportive services shall include all of the following:

(1) Child care.

(A) Paid child care shall be available to every participant with a dependent child in the assistance unit who needs paid child care if the child is 10 years of age or under, or requires child care or supervision due to a physical, mental, or developmental disability or other similar condition as verified by the county welfare department, or who is under court supervision.

(B) To the extent funds are available, paid child care shall be available to a participant with a dependent child in the assistance unit who needs paid child care if the child is 11 or 12 years of age.

(C) Necessary child care services shall be available to every former recipient for up to two years, pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code.

(D) A child in foster care receiving benefits under Title IV-E of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.) or a child who would become a dependent child except for the receipt of federal Supplemental Security Income benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) shall be deemed to be a dependent child for the purposes of this paragraph.

(E) The provision of care and payment rates under this paragraph shall be governed by Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code. Parent fees shall be governed by Sections 8263 and 8273.1 of the Education Code.

(2) Transportation costs, which shall be governed by regional market rates as determined in accordance with regulations established by the department.

(3) Ancillary expenses, which shall include the cost of books, tools, clothing specifically required for the job, fees, and other necessary costs.

(4) Personal counseling. A participant who has personal or family problems that would affect the outcome of the welfare-to-work plan entered into pursuant to this article shall, to the extent available, receive necessary counseling or therapy to help him or her and his or her family adjust to his or her job or training assignment.

(b) If provided in a county plan, the county may continue to provide case management and supportive services under this section to former participants

who become employed. The county may provide these services for up to the first 12 months of employment to the extent they are not available from other sources and are needed for the individual to retain the employment.

SEC. 72. Section 52 of Chapter 13 of the Statutes of 2015 is amended to read:

Sec. 52. (a) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, one hundred fifty million dollars (\$150,000,000) of the appropriation made by paragraph (1) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2014–15 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2014–15 fiscal year.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, two hundred fifty million dollars (\$250,000,000) of the appropriation made by paragraph (1) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2015–16 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2015–16 fiscal year.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, three hundred million dollars (\$300,000,000) of the appropriation made by paragraph (2) of subdivision (a) of Section 53070 of the Education Code shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2016–17 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2016–17 fiscal year.

SEC. 73. (a) The California Educator Development (CaLED) Program is hereby established as a grant program designed to enhance the state’s efforts to address teacher recruitment and retention issues throughout the state by assisting local educational agencies with attracting and supporting the preparation and continued learning of teachers, principals, and other school leaders.

(b) Subject to an appropriation in the annual Budget Act or another statute for purposes of this section, the Commission on Teacher Credentialing, in conjunction with the California Center on Teaching Careers, established in Section 45 of Chapter 29 of the Statutes of 2016 (Senate Bill 828 of the 2015–16 Regular Session), shall develop a competitive grant program that assists local educational agencies with the recruitment and retention of

effective school leaders and educators pursuant to the requirements of the federal Every Student Succeeds Act (20 U.S.C. Sec. 6611(c)(3) and (4)).

(c) The California Center on Teaching Careers, in consultation with the Commission on Teacher Credentialing, shall issue a request for proposals to all school districts, charter schools, and county offices of education in the state to solicit applications for the CalED Program. The California Center on Teaching Careers shall issue one-time grants to successful applicants through a competitive process, and shall ensure all of the following:

(1) An amount equal to the maximum amount allowable by the federal Every Student Succeeds Act (20 U.S.C. Sec. 6611(c)(3)) is allocated to grant recipients for activities that support principals and other school leaders.

(2) The remaining amount is allocated to grant recipients for activities that result in new credentials authorizing teachers to provide instruction in special education, mathematics, science, and bilingual education, pursuant to the federal Every Student Succeeds Act (20 U.S.C. Sec. 6611(c)(4)).

(3) At least 30 grants are awarded statewide. Grants shall be in amounts not less than one hundred thousand dollars (\$100,000), and not more than one million two hundred fifty thousand dollars (\$1,250,000), per grant.

(d) A grant recipient shall consist of one or more, or any combination, of the following:

(1) School districts.

(2) County offices of education.

(3) Charter schools.

(e) A grant recipient may partner with any or all of the following:

(1) Private or public postsecondary educational institutions, as defined in Section 66010 of the Education Code.

(2) Private, nonprofit organizations that specialize in attracting, or supporting the preparation and continued learning of, teachers, principals, and other school leaders.

(f) As a condition of receiving a grant, a grant recipient shall do all of the following:

(1) Provide an equal match of resources for any funding received from this program to supplement the grant award.

(2) Ensure activities proposed in the grant application conform to the activities in the federal Every Student Succeeds Act (20 U.S.C. Sec. 6611(c)(3) and (4)).

(3) Agree to report data to the California Center on Teaching Careers to allow for an evaluation of the effectiveness of the CalED Program.

(g) When determining grant recipients, the California Center on Teaching Careers, in consultation with the Commission on Teacher Credentialing, shall do all of the following:

(1) Give positive consideration to all of the following characteristics of an applicant:

(A) Having one or more of the following:

(i) A demonstrated need for teachers authorized to provide instruction in special education, mathematics, science, or bilingual education.

(ii) A demonstrated need for school leadership development.

(iii) A demonstrated record of working with current science, technology, engineering, and mathematics (STEM) professionals to obtain a teaching credential to work in schools in need of STEM teachers.

(B) Serving unduplicated pupils, as defined in Section 42238.02.

(C) Operating within a rural area.

(D) Operating using a high number of teachers with emergency permits to staff classrooms.

(E) Applying as part of a consortium of local educational agencies.

(F) A demonstrated need to improve equitable access of all pupils to effective educators.

(G) A geographic location that will promote an equitable distribution of grants statewide.

(2) Give positive consideration to applications that propose to do any of the following:

(A) Recruit, train, and support new or existing educators to earn a credential that authorizes the holder of the credential to provide instruction in special education, mathematics, science, or bilingual education.

(B) Provide activities to support the development of principals and other school leaders.

(C) Provide high-quality new teacher and principal induction and mentoring.

(D) Engage in regional collaboration with postsecondary educational institutions, as defined in Section 66010 of the Education Code, or other local educational agencies.

(E) Participate in recruitment and hiring activities in coordination with the California Center on Teaching Careers.

(h) When determining grant recipients, the California Center on Teaching Careers, in consultation with the Commission on Teacher Credentialing, shall give greatest weight to the application characteristics identified in paragraph (1) of subdivision (g).

(i) The California Center on Teaching Careers, in consultation with the Commission on Teacher Credentialing, shall review grant applications, select grant recipients, award grants, collect data, and report outcomes to the chairpersons and vice chairpersons of the budget committees of each house of the Legislature, the Legislative Analyst's Office, and the Department of Finance by October 1 of each year.

SEC. 74. (a) The sum of one billion three hundred sixty-two million three hundred eighty-three thousand dollars (\$1,362,383,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction and shall be allocated pursuant to the calculation in subdivision (b) of Section 42238.03 of the Education Code.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the "total allocations to school districts and community college districts from General

Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 75. (a) On or before June 30, 2018, an amount to be determined by the Director of Finance shall be appropriated from the General Fund to the Superintendent of Public Instruction in augmentation of Schedule (1) of Item 6100-161-0001 of Section 2.00 of the Budget Act of 2017.

(b) The funds appropriated in subdivision (a) shall only be available to the extent that revenues distributed to local educational agencies for special education programs pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code are less than the estimated amount reflected in the Budget Act of 2017, as determined by the Director of Finance.

(c) On or before June 30, 2018, the Director of Finance shall determine if the revenues distributed to local educational agencies for special education programs pursuant to Sections 34177, 34179.5, 34179.6, and 34188 of the Health and Safety Code exceed the estimated amount reflected in the Budget Act of 2017 and shall reduce Schedule (1) of Item 6100-161-0001 of Section 2.00 of the Budget Act of 2017 by the amount of that excess.

(d) In making the determinations pursuant to subdivisions (b) and (c), the Director of Finance shall consider any other local property tax revenues collected in excess or in deficit of the estimated amounts reflected in the Budget Act of 2017.

(e) The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of his or her intent to notify the Controller of the necessity to release funds appropriated in subdivision (a) or to make the reduction pursuant to subdivision (c), and the amount needed to address the property tax shortfall determined pursuant to subdivision (b) or the amount of the reduction made pursuant to subdivision (c). The Controller shall make the funds available pursuant to subdivision (a) not sooner than five days after this notification and the State Department of Education shall work with the Controller to allocate these funds to local educational agencies as soon as practicable.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 76. (a) The sum of four million dollars (\$4,000,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for allocation to the Southern California Regional Occupational Center for instructional and operating costs in the 2017–18 fiscal year. This allocation is intended to assist the Southern California Regional Occupational

Center transition to a fully fee-supported funding model as the local control funding formula reaches full implementation.

(b) As a condition of receiving funding appropriated pursuant to subdivision (a), the Southern California Regional Occupational Center shall submit an operational plan to the Department of Finance and the Legislative Analyst's Office by September 1, 2017, and annual updates to that plan by September 1 of each of the next three fiscal years of operation consistent with the proposed schedule of funding allocations for the same three-year period described in subdivision (c). The contents of the operational plan shall include all of the following:

(1) The fee structure to be used for both high school pupils and adults attending classes at the Southern California Regional Occupational Center, including the specific fee to be levied upon participating school districts for their enrolled high school pupils, and the specific fee to be levied for adults.

(2) The methodology used to determine the fee structure described in paragraph (1), including an identification of the major cost centers associated with educating each high school pupil and adult student.

(3) Specific actions that the Southern California Regional Occupational Center will take to integrate career technical education pathways from local high schools to local community colleges to meet identified local workforce needs.

(4) Steps that the Southern California Regional Occupational Center will take to market course and program offerings to currently participating schools districts, currently nonparticipating school districts, and the local adult population.

(5) A detailed budget that identifies all expenditures and revenue sources for the 2017–18 fiscal year as well as projected expenditures and revenues for the 2018–19 fiscal year to the 2020–21 fiscal year, inclusive, any direct state or federal funding expected to be received for the 2017–18 fiscal year to the 2020–21 fiscal year, inclusive, ongoing lease payments, a summary of major personnel and nonpersonnel short-term and long-term obligations, and operating reserves.

(6) A report on the number of participating pupils and adults who go on within a year of receiving instruction at the Southern California Regional Occupational Center to: (A) enroll at a community college, (B) enroll at a university, or (C) attain employment in the field or a related field to the coursework completed at the Southern California Regional Occupational Center.

(c) It is the intent of the Legislature to allocate additional resources to the Southern California Regional Occupational Center in accordance with the following schedule:

(1) For the 2018–19 fiscal year, three million dollars (\$3,000,000).

(2) For the 2019–20 fiscal year, two million dollars (\$2,000,000).

(3) For the 2020–21 fiscal year, one million dollars (\$1,000,000).

(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the amount appropriated in subdivision (a) shall be deemed to be "General Fund revenues appropriated

for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 77. (a) For the 2017–18 fiscal year, the sum of four hundred thousand dollars (\$400,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for support and development of the Local Control and Accountability Plan Electronic Template system and the California School Dashboard mobile app.

(b) (1) For the purpose specified in subdivision (a), the State Department of Education, in collaboration with and subject to the approval of the executive director of the State Board of Education, shall enter into contracts with the San Joaquin County Office of Education. Of the amount appropriated, three hundred fifty thousand dollars (\$350,000) shall be used to host, maintain, and support the development of the Local Control and Accountability Plan Electronic Template system. The remaining fifty thousand dollars (\$50,000) shall be used to support and develop the California School Dashboard mobile app.

(2) When performing these activities, the San Joaquin County Office of Education may enter into appropriate contracts for the provision of support and services, as necessary, and shall ensure alignment of the electronic template and mobile app with California’s accountability system, including, but not limited to, the School Accountability Report Card and the California School Dashboard, accommodate state and local data availability, and reflect consistency with implementation of the local control funding formula.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 78. (a) The funds allocated pursuant to paragraph (2) of subdivision (b) of Section 30130.55 of the Revenue and Taxation Code shall be allocated to support programs that prevent and reduce the use of tobacco and nicotine products by young people, pursuant to legislation enacted in the 2017–18 Regular Session that is consistent with Proposition 56, as approved by the voters at the November 8, 2016, statewide general election.

(b) If legislation regarding the use of funding specified in paragraph (2) of subdivision (b) of Section 30130.55 of the Revenue and Taxation Code is not chaptered by October 15, 2017, the funds shall be allocated to the State Department of Education to be used for school programs to prevent

and reduce the use of tobacco and nicotine products by young people as described in Section 104420 of the Health and Safety Code.

SEC. 79. A school district with average daily attendance of more than 400,000 as of the 2016–17 second principal apportionment, shall be exempt from any penalties calculated pursuant to Section 41404 of the Education Code for the 2016–17 and 2017–18 fiscal years.

SEC. 80. (a) For the 2017–18 fiscal year, the sum of twenty-five million dollars (\$25,000,000) is hereby appropriated from the General Fund to the Commission on Teacher Credentialing to fund a second cohort for the California Classified School Employee Teacher Credentialing Program, pursuant to Section 44393 of the Education Code, to be available through the 2021–22 fiscal year. The Commission on Teacher Credentialing shall allocate grants for up to 1,250 new participants per year. A grant to an applicant shall not exceed four thousand dollars (\$4,000) per participant per year.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 81. (a) For the 2017–18 fiscal year, the sum of ten million dollars (\$10,000,000) is hereby appropriated from the General Fund to the State Department of Social Services in order to provide additional services for refugee pupils. The State Department of Social Services shall allocate funding to school districts impacted by significant numbers of refugee pupils and other eligible populations served by the Office of Refugee Resettlement (ORR), an office of the Administration for Children & Families within the United States Department of Health & Human Services, based on the eligibility criteria and allocation methodology set forth by the ORR for the federal Refugee School Impact program.

(b) Of the funds allocated in subdivision (a), an equal amount shall be available for grants in the 2017–18, 2018–19, and 2019–20 fiscal years.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 82. (a) For the 2017–18 fiscal year, the sum of five million dollars (\$5,000,000) is hereby appropriated from the General Fund to the

Superintendent of Public Instruction to allocate to the San Francisco Unified School District. The San Francisco Unified School District shall use these moneys to contract with the California Historical Society, in partnership with the California History-Social Science Project, to create a free online open K–12 curriculum for History-Social Science. The curriculum shall include primary and secondary sources, lesson plans, and related instructional materials aligned to the History-Social Science Framework adopted by the State Board of Education in 2016. The materials shall utilize the archival and digital resources of the California Historical Society and other state and federal institutions. To the extent possible, the materials also should include support for student literacy development and civic engagement and be organized around an inquiry model of instruction.

(b) The curriculum shall be made available to teachers by July 1, 2019. The California Historical Society and the California History-Social Science Project shall work with the State Department of Education to make the online resources specified in subdivision (a) available and accessible to all teachers statewide.

(c) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 83. (a) No later than March 1, 2018, the Legislative Analyst’s Office shall submit a report to the Legislature proposing options for incentivizing full-day kindergarten programs. One of the options included in the report shall be providing differentiated funding rates for full-day and part-day kindergarten.

(b) The report shall attempt to identify the average costs, including fixed and marginal costs, associated with full-day and part-day kindergarten programs. The Superintendent of Public Instruction shall make available to the Legislative Analyst’s Office all cost data it collected or analyzed pursuant to the kindergarten program implementation evaluation set forth in Section 46116 of the Education Code.

SEC. 84. Of the twenty-four million dollars (\$24,000,000) appropriated in Section 46 of Chapter 29 of the Statutes of 2016, all funds not encumbered by the Riverside County Office of Education by July 1, 2017, shall be available for allocation by the Superintendent of Public Instruction to the Marin County Office of Education to support the California Collaborative for Educational Excellence for the purposes described in Section 46 of Chapter 29 of the Statutes of 2016. Any funds encumbered by Riverside County Office of Education on July 1, 2017, but not spent as of December 31, 2017, shall also be available for allocation to the Marin County Office

of Education for the same purposes. These funds are available for encumbrance through the 2019–20 fiscal year.

SEC. 85. (a) For the 2017–18 fiscal year, the sum of five million dollars (\$5,000,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for purposes of the Bilingual Teacher Professional Development Program, established pursuant to Article 5 (commencing with Section 52200) of Chapter 7 of Part 28 of Division 4 of Title 2 of the Education Code, to be available through the 2019–20 fiscal year.

(b) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 86. (a) For the 2017–18 fiscal year, the amount of one million five hundred thousand dollars (\$1,500,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction to establish the California-Grown Fresh School Meals Grant Program for purposes of incentivizing the purchase of California-grown food by schools and expanding the number of freshly prepared school meals offered within the state that use California-grown ingredients.

(b) Pursuant to the one-time grant program, the Superintendent shall provide grants to school districts, county offices of education, and charter schools for either of the following:

(1) The purchase of California-grown food to be used for school meals in accordance with the federal National School Lunch Program or the federal School Breakfast Program.

(2) Expanding the number of freshly prepared school meals, including, but not limited to, purchasing equipment necessary to provide school meals to pupils and providing professional development to relevant food service employees regarding the implementation of healthy school meals.

(c) The Superintendent shall give priority in awarding grants to school districts, county offices of education, or charter schools that enroll at least 50 percent unduplicated pupils.

(d) The Superintendent shall give positive consideration to school districts, county offices of education, or charter schools that do any of the following:

(1) Provide professional development to food service employees.

(2) Partner with community-based or nonprofit organizations to provide California-grown food to school districts, county offices of education, or charter schools.

(e) At least 13 grants shall be awarded statewide. Grants shall be in amounts of not less than fifty thousand dollars (\$50,000) and not more than one hundred twenty-five thousand dollars (\$125,000) per grant.

(f) (1) The California-Grown Fresh School Meals Account is hereby established in the Special Deposit Fund for the deposit of funds donated from public and private sources to meet the purpose of this section.

(2) The Superintendent may allocate funds from the California-Grown Fresh School Meals Account for the purposes of this section.

(3) The Superintendent shall report to the Department of Finance by September 30, 2017, on the funds received and grants awarded from the California-Grown Fresh School Meals Account.

(4) Unless the California-Grown Fresh School Meals Grant Program is extended beyond the 2017–18 fiscal year, any funds received or unallocated after July 1, 2018, or after such time as the 2017–18 grants have been fully allocated, whichever is later, shall be transferred to the General Fund and this account shall be closed.

(g) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 87. (a) The sum of two million five hundred thousand dollars (\$2,500,000) is hereby appropriated from the General Fund to the Superintendent of Public Instruction on a one-time basis to establish the California Equity Performance and Improvement Program. The purpose of the program is to support and build capacity within local educational agencies and the State Department of Education to promote equity in California’s public schools. The Superintendent of Public Instruction shall apportion the funds to at least two designated lead agencies, which shall be county offices of education.

(b) The designated lead agencies shall collaborate with the State Department of Education in conducting the activities required pursuant this section. These activities shall include, but are not necessarily limited to, incorporating existing initiatives identified by the State Department of Education into the activities of the designated lead agencies, and utilizing, to the greatest extent practicable, communication channels and networks supported by the State Department of Education. The State Department of Education may establish a formal process for the designated lead agencies to meet or otherwise communicate with the State Department of Education.

(c) The designated lead agencies shall be selected by the State Department of Education, in consultation with the executive director of the State Board of Education, from among applicants that submit a proposal for how they will effectively conduct the activities required pursuant to this section. These

proposals shall include a description of how the designated lead agency plans to use the funds. The designated lead agencies shall encumber or expend the funds provided through this section by June 30, 2020.

(d) The designated lead agencies shall identify existing resources, professional development activities, and other efforts currently available at the local, state, and federal levels, as well as develop new resources and activities, designed to support and build capacity within school districts, county offices of education, and charter schools across the state to do all the following:

(1) Use the California School Dashboard and relevant local information to identify disparities in outcomes or opportunities among pupil groups or schoolsites. These may include, but are not necessarily limited to, inequitable access to high-quality education programs, such as Honors or Advanced Placement courses; achievement and opportunity gaps; disproportionality in school discipline; low levels of pupil engagement; negative school climate that results in bullying and harassment; gender harassment, sexual harassment, or bullying of lesbian, gay, bisexual, transgender, and questioning (LGBTQ) pupils; and disparities in graduation or dropout rates among pupil groups.

(2) Engage stakeholders in the development of annual updates to local control and accountability plans and effectively work with stakeholders to identify local priorities that are responsive to the unique needs of their diverse pupil populations.

(3) Effectively align local resources and implement actions and services or strategies to address identified disparities in outcomes or opportunities among pupil groups and schoolsites through local control and accountability plans.

(e) The designated lead agencies shall identify and develop the resources and activities described in subdivision (d) with the goal of maximizing their usage across the state. To achieve this goal, the designated lead agencies, in collaboration with the State Department of Education, shall employ strategies that may include the following:

(1) Collecting and disseminating information on effective practices.

(2) Developing train-the-trainer models and online training modules, or other tools and resources, to support the purposes of this section.

(3) Offering regional conferences and workshops.

(4) Providing coaching and training to other school districts, county offices of education, and charter schools.

(5) Utilizing existing networks of educators to provide coaching and training to other school districts, county offices of education, and charter schools.

(f) By September 30 of each fiscal year until the designated lead agencies have fully expended the funds allocated pursuant to subdivision (a), each designated lead agency shall collaborate with the State Department of Education to prepare information about how the designated lead agency used the funds in the prior fiscal year, including all of the following:

(1) A summary of the activities conducted and resources developed.

(2) The number of school districts, county offices of education, charter schools, educators, and pupils served by the activities and resources.

(3) A summary of any data that is available on outcomes resulting from the activities conducted.

(4) A summary of how state-level activities to promote equity in California’s public schools have improved and recommendations for improving state-level activities or policies to promote equity in California’s public schools.

(g) By November 30 of each fiscal year until no information is provided pursuant to subdivision (f), the Superintendent of Public Instruction shall prepare a report based on the information provided by the designated lead agencies pursuant to subdivision (f) and provide copies of the report to the appropriate fiscal and policy committees of the Legislature, the Department of Finance, the State Board of Education, and the Legislative Analyst.

(h) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

SEC. 88. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 89. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.